'She House reassembled after lunch at three minutes past two of the clock. The Vice ChairmaB (Shii R. R. Morarka) in the Chair.

Budget (General)

#### PAPERS LAID ON THE TABLE—Cdntd,

# Nwtificatiott of fSe Ministry of Finance (Department of Revenue) and related papera.

SHRI MAGANBH^^AROT: Sir, I beg to lay on the Table of the House a copy (in English and Hindi) of the Ministry of Finance (Etepart-ment of Revenue) Notification No. 134/F. No. 347/9/80-TRU, dated the 3rg July. 1980, together with an Explanatory Note thereon under section 159 of the Customs Act, 1962. [Placed in Library. See No. LT-993/80].

THE BUDGET (GENERAL) 198«-gl . JENERAL DISCUSSION—Contd.

THE VICE-CHAIRMAN (SHRI R.R. MORARKA): Shri Kulkarni to continue hig speechT

SHRI A. G. KULKARNI: Sir. when the House adjourned for lunch, I was coming to the point of the massive deficit. It is not exactly a budgetary deficit but a deficit in the total working of the Government of India. I do not v/ant to waste the time of the House in explaining it because many of my friends have done it. Sir, the problem is about the inflationary effect of the Budget deficit and the imposts which have been brought forward by the Government. Sir, here is a cutting with me from the Economic Times, dated the 27th June, and it has appeared today in the newspapers also, the Times of India and many other news pape!s, about the rates of sugar, potato and other items, showing how they are getting out of reach. Sir, we V/ere told here sometime back by the Civil Supplies Minister that the rates would not go beyond Rs. 7. Bat, Sir, it hag been quoted in the

%≪ RS—3.

papers that the price is at Rs. 8. In the mofussil centres there is no sugar. In ^'He rural areag it is nettling below Rs. 10.

Discussion

I am aware, Sir, that this Government will not be able to contain this price rise. But what 1 take objection to is that the Minister said that he has given many concessions and reduced the duty on the items usually used by the middle-class. I am not against it. I really do not want t» take a radical view that this stiouM not have been done and that shouM not have been taxed, that I do n»t like. I am sorry I differ from Shri Kalyan Roy. (Interruptions)

It is stated in the "Economic Times" that the price of even the sewing machines is not going to come down. On the contrary it is likely to rise because of various inputs being taxed in other sections of the Budget. Swo is the case with the pressure cookers which he particularly mentioned, and with the soaps which he particularly mentioned. Again under item 68 \*£ the excise duty or something like that, the excise duty has been raised from 5 to 10 per cent. That goes directly to increase the price of the raw materials for the industry, whether it is the small scale industry, the large scale industry or any sector whatsoever. So, Sir, I would like say that inflation is beyond the expectation of the Minister of Finance. That is why I advised him, "Please, do not announce that you will resign if the Budget fails." Naturally, the Budget is going to fail. And he should not resign. Mr. Venkataraman is a person with a pragmatic sense. Very popular slogans do not pay- We have found before 1977 many slogans like frontal attack on poverty. In the company of Mr. Kalyan Roy we talked of very radical steps of nationalising everything. I am not against nationalisation. I am, Sir, against populism. Sir, here is a pragmatic Minister. I would request him to realise that functional res-

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Sir, I come to another aspect of the Budget. Sir, I find that during tSie last ten years—you have also studied Industry there is craze in the Indian capital investment market on the part of the manufacturers or industrialists to go in for the capita) Intensive, machinery-installing, industries, and that has given a definite thrust towards employment on the one side and towards the high cost of capital investment on the other side. Sir, it is high timfs that the Government went into aspect. Sir, I have recently studied a UNIDO document wherein comparison been made between power consumption and capital-intensiveness of the plants in the developing countries. Sir, India consumes the highest amount of energy, or it is among t'he countries which consume the highest, per unit of production. Here, Sir, we are facing a problem. We have no petroleum products. And hydel power we have got very little. The coal difficulty we know; the railway movement difficulty we know. There are constraints. So, I would plead with the Finance Minister that it is high time that he applied his mind to the ratio of consumption of energy per unit of production in this country as compared to various coimtries. So, if a direction is given on this aspect of the problem, perhaps the Government will be able to save some energy which will be very useful and whicSi will save our foreign exchange.

Then, Sir. another aspect of it is regarding the small-scale industries, modernisation and technological innovation in the small-scale industries. -Sir, I need not repeat it again. You

know and the House knows importance the small-scale industrieB have in production, employment an\* rural bias. apart from the biff industries, the small-scale industries are also becoming sick. The reaso\*. Sias nothing to do with the labour or union or something like that. Maybe there mismanagement in very negligible cases. But the basic point' is, the Government organisatioas which are created to cater for the servicing of the small-scale sector, particularly the National Small Industries Corporation, the Small Industries Development Organisation, the politicalisation of these organisation?, the lack of common marketing facilities, all these have created difficulties in the small-scale sector. Now, Sir, there is a soft loan scheme with the IDBI. But it is for the industries which can approach the IDBI. What about the small-scale sector? Has the Government in its own wisdom founil out that whatever facilities are give© to large-scale sector are also given to the smallscale sector? Here I would urge Venkataraman t» throw light on one point because it has not caught the eye of the presfe or the ear of the press. That is, m the debate on the nationalisation (ft six banks, I was telling him that the rate charged to the small-scale sector was somewhere between 15 and 20 per cent. But my colleague, Mr. Bagaitkar said that it was 31 per cent in some respects, and some others said it was 40 per cent. I only know that it is between 15 and 20 per cent. At that Mr. Venkataraman seemed to time. convinced and he assured us that it should not be more than 12 per cent with one or two per cent more here and there. Now again he will have to assure us in his reply to the Budget debate that the smaJJ-scale sector will be given credit at a cheap rate.

Then I come to agriculture. Agri- *J* cultural production in this country has shown great resilience. An energetic approach fay the scientists oT this country. Government's sympathies towards scientific and technolo-

gical innovation in agriculture, hereditary practices of agriculture being changed, all go to the credit of this Government—previously also this Government was there lor 10 years-and even to the Janata Government. Nobody denied agriculture its due. But, Sir, the problem has now come on three fronts. Sir, luckily both the concerned Ministers are here. I asked Mr. Patil whether fertiliser availability to the small farmers would be assured at subsidised rates. He said, "Yes". All right. The same thing is being replied by another friend of mine, the Minister of Agriculture. Sir, four or five days back, I was attending a meeting of a Board of a concern which is the largest co-operative concern in this country which produces fertilizers. They prepared, what you call, a projected plan for the future, for the coming year, of their profitability, etc., and they showed somewhat reduced profits. I just asked them: "What do you mean by this?" They said that retention prices are there and this is there and that is there and so, they could not assure us of this. They also said that the prices have been increased and they have to pay. Sir, I told them that we were assured in this House that the farmers were going to get the benefits. But, Sir, you will be surprised to know something about this. It was said in the Board meeting that that was the job of the Government to help the small farmers or whatever agencies are there. Then I got a report on the small farmers which was also placed here, sir, some of the States are not given fertilizers undei- the SFDA concessions or whatever concessions are there. The Government might have had this in mind, but it has not passed on this to them. Eighty per cent of the consumption of fertilizers in this country is by the medium farmers and the large farmers in such States like Punjab. Haryana, 'Sffaharashtra, Gujarat, etc. This is the case wherever you go. Sir, tech-noFogical innovation is there the agricultural sector because of the increase in the use of fertilizers and

changes in the farm methods. I ai» surprised that this tall talk is only a populist slogan that the small far-' mers are protected. They are not protected and that is my. charge. So, Sir, I would request the Minister at Agriculture and the Minister ol Petroleum to pass on this information to the Minister of Finance. (Time bell rings). Sir, I will take five to seven minutes. I am sorry; I am just finishing. Now, Sir, I would like to know how much fertilizer was distributed, how much was the requirement and whether it has been given at these prices. This is my point.

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Discussion

Then, Sir, my second point is about the perishable goods I\*\*\*® onions and certain other horticul-. tural goods. The country has a good amount of onions and they can export any amount. But ^^^y ^re suffering, as you know, for want of suitable cold storage facilities, etc., and this is a very wrong thing and the Government has to look into this.

Two or three more points I have to make. Now, I would have to observation on the Dandemake an kar Committee Report. It is in con nection with the discrimination bet ween hand-processing units and the power-processing units in the textile There is industries. a decenttalised sector, as you know. The powerlooms and the handlooms are producing about fifty per cent of the cloth that is produced in the country and it increase furthermore. But the mav power-processing units have been discriminated against. In respect same duty, for the processing the units it is 12 per cent. Sir, look here. For art silk, which is supposed to be used by the richer class of people, they are charging them at 5 per cent because it is coming from a lobby some influence in which has But the cotton power-Government. processing units are charged at 1.2 cent as against per cent by the composite mills. I would like to ask Mr. Venkata-raman: Why is this discrimination made between the art silk processors and the cotton processors? Why is

[Shri A. G. Kulkarni] so, whien, the art silk is quoted at five to ten rupees per metre and the cotton cloth is being sold roughly at three to five rupees? And, Sir, the cotton processing units are paying discriminatory duty at 12 per cent. Sir, the previous Prime Minister and the then Finance Minister, Mr. Charan Singh, knew this. We met the then Prime Minister and Mr. Charan Singh who is enamoured of handprocessing and everything connected with the hand. But the hand has shown him the real thing because, in the elections, he has lost and the symbol of hand brought him down. Now what I am suggesting is that the disarimination between art silk processors and the cotton processorg hai^ to be removed. The discrimination between the composite mills and power processois has to be increased. Otherwise, Sir, these units cannot do well. In this connection Sir,—^I am lucky that Mr. Venkata-Taman has come now-I would like to say that they are talking of delinking and it is there in the Report, as I said, the Dandekar Committee Report and I just want to quote four sentences only from that. The Committee says—-I quote;

"The committee did not think that direct wage subsidies would be practicable. A measure to encourage employment of labour was a wage-subsidy, which would be equivalent to a negative direct tax. While carefully considering seve-' ral, alternatives, 'it seems to us that their revenue costs may become excessive and their employment benefits may turn out to be small and doubtful'."

Sir, I have done. I will appeal to the Finance Minister to look into this. Sir, there is only one family in this country which is taking the benefit of 60 per cent of the processing benefits, going to one community, one Hindu Undivided Family which imder *benami* names has different factories. Sir, it is the Rajasthan lobby which is working very much. And we, Sir, the people who have

got faith in cooperatives, are going to close our shutters. I was only waiting for the Budget to come out. Now I should take a decision that 31 we close our shutters and take the .society into liquidation. I would request the Finance Minister, Mr. Venkataraman—would you please listen to me?

THE MINISTER OF FINANCE.' (SHRI R. VENKATARAMAN): I have two ears ... (*liiterruptions*)

SHRI A. G. KULKARNI: All right. Thank you. If you have faith in cooperatives, Mr. Venkataraman, at least save these cooperatives; they are not more than four or five^ and ...

SHRI KALYAN ROY (West Bengal): Save them from those who control the coopertives .. • (Interruptions)

SHRI A G. KULKARNI: And also, please protect them from trade unionists who are exploiting the entire profitability of small concerns. I will request, Sir, that the cooperatives deserve consideration. I am not asking for the total abolition; give them 50 per cent rebate and then you can encourage these cooperatives in the decentralised textile sector\* Cooperatives are not getting the eon-cession, because from Rajasthan or Surat ... (Time hell rings)'

Sir, the last point is this. Today we have learnt a very startling news about the Caravelle being operated through a private party, between' Bombay and Madras. Sir. I have gone to the Library, and found a short while ago that there is a Government Gazette that thank on private company will be allowed to run a service. Sir, he I comes from Madras. I do not want to allege anything. Si;-, who is this P. R. Rao? There are 'benami' people and a powerful many! M^P from Madhya Pradesh who is res-; ponsible for getting this deal through and selling the Caravelle plane to one Mr. Rao. Sir, I am more shocked to see that he has not paid the

money of Rs. 12 lakhs. Why should, he not pay? We have discussed this plane crisis. Do you mean to say that the people are going to risk their lives? Such permission must be withheld ... (Time iell rings).

I would only request the Finance Minister to take note of what I have said.

I have done, Sir. Thank you very much, Sir, and thanks to Mr. Kalyan Roy for his intervention and agreeing to allow me to

THE VICE-CHAIRMAN (SHRI R. R. MORARKA): Mr. Kalyan Roy.

KALYAN ROY: Sir, the credibility of the Government with a massive majority has been knocked out by Budget. illixsion which the The Finance Minister tried to create in March 1980 has been very cruelly exposed. The mask Nehruism of Gandhi-ism and collapsed. What has emerged through the Budget is the ugly face of the FICCI-Sir, the expectation of the big business has been answered and assured. No wonder, early in February, 1980, the Chairman of the FiCCI, Mr. Hari Singh Singhania, told a meeting at New Delhi that as a result of the change in the political scene he saw clearly improvement in the economic situation of the country. By economic situation naturally Singhania meant the improvement of Mr. his own class. That is understandable. not understandable is the But what is massive deception and sheer hyproc-risy on the part of the Finance Minister. The deception is as massive as the massive evasion of taxes by the rich. If this is the budget, which the Finance Minister and the Government had in mind, why was this eloquence nth March, 1980, where he stated:

"Our commitment to work tirelessly for rapid economic develop-JTHient, for removal of poverty and social inequalities and for the implementation of the 20-point programme is firm and irrevocable ... and to evolve a coherent me-

strategy for revival and dium-term restoration of its health. Clearly, there is need to adopt many other measures to get our country moving again along the cherished path set out by Gandhiji and JaWaharlal Nehru."

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Discussioft

And told us to wait. The nation waited we have got this Frankenstein. and Venkataraman is an -honest man Mr. has frankly admitted in the Lok and Sabha on 1st July that "Before Budget I had a series of discussion with a large number of economists, industrialists, I administrators and so on individual- ly." He had no time to consult a I single trade union leader.

SHRI R. VENKATARAMAN: Mr. Kalyan Roy. I consulted the trade union leaders also.

SHRI KALYAN ROY: You will have your chance. I repeat that he

did not consult even a single trade union leader, the leader of peasant movement or agricultural movement or a Harijan leader. I got a chance as a member of the trade union movement when I was invited by the Prime Minister on 1st July. We got a chance to talk after the budget only. Therefore, naturally the budget is a baby born out of pure love between the industrialists, bureaucrats and the Finance Minister, He has suppressed what the economists had told him. Before the budget, the economists met and a report appeared on May 31st in the Times of India. I quote:

"There is, however, near unanimity that there should be no further tax incentives or concessions which, in the view of some economists, had been grossly misused ' and all loopholpg should be plugged."

Further they stated;

"The former Union Minister and a Member of the Planning Com- mission, Dr. V. K, R. V. Rao, pro- poses a special tax on conspicuous consumption and expendi-

[Shri Kalyan Roy] ture. Two other noted economists, Dr. Malcolm Adiseshiah Dr. C. H. Hanumanthrao, called for bringing the rural rich within the tax net. Dr. Adiseshiah points out that the rich and well-to-do farmers in the country's agriculture contribute over 40 per cent of the country's GNP, but less than 3.5 pei- cent of the total tax revenue. He estimates an yield of over Rs. 500 crores by putting into execution the K. N. Raj Committee's recommendations for taxing agricultural income.'

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Institute of Management The Indan that bulk of the benefit of subsidies goes to the non poor living in better off state (InterruptioTis) He has ignored all this. Whom did he accept? He accepted Mr. Boothalingam who stated that the Finance Minister should have to take unpopular decisions. courage Shall 1 say with all my humility that this is not a budget about which he spoke on March 11? This is not the budget of Gandhiji and Jawaharlal Nehru. the budget Of Mr, Venkataraman and Mr. Bhoothalingam. We waited and waited for what? I do not want to go into the details and analyse the proposed tax structure which dealt with very ably by other has been Members of this House and in Lok Sabha also. I would only deal with some outlines within the time at my disposal. We waited for what? You wanted u.s to wait. We waited for tax relief in surcharge of Rs. 84 crores, additional depreciation allowance of Rs. 90 crores and so on and so forth. There are concessions on the alleged rigours convertibility clause. May I ask Mr. Venkataraman as to in how many instances this convertibility clause ha3 been actually used to turn loan into shares? There is a concession and total surrender to the rural rich. It will unfortunately go to the benefit of only the Western TJttar Pradesh, Haryana, Punjab, part of Rajasthan and part Andhra Pradesh, the home of rural rich.

Then. Sir, regarding the taxation on agriculture for the purpose of levy of wealthtax, the Finance Min ister stated at page 22 of his speech (Part B), and I quote: "The amount realised as wealth-tax on agricul tural property has generally been less than Rs. 1 crore per annum." And because it has failed to realise its original objective—they accepted it-he wants to discontinue it. Sir, if this particular logic is accepted, it can equally apply to the urban property, to the collection of income-tax, wealth-tax and gift-tax. There is a huge arrear of income-tax and other taxes, and it is accumulating year after year.

Sir, there was a conference of the Income-tax Commissioners in May, 1980 Mr.'Kuruvilla, Chairman of the Board of Direct Taxes, and a report on it appeared in the 'Economic Times' of ISth May, 1980. And I quote from the report as to what Mr-Kuruvijla said: "Mr. Kuruvilla conceded that assessment took a long time, a minimum of two years. This is one of the major reasons for the mounting of arrears." He further says, "However, no major dint could be made. The tax outstanding stood at Rs. 500 during 1918-1S." This is the situation we are having today. You kindly read from page 5 of the "Budget at a Glance". You will find that there has actually been a drop in the collection of corporation tax—Rs. 1,380 crores. The taxe.s on wealth remained more or les.s stagnant—that is, Rs. 63 crores. The, gift tax is also Rs. 6.25 crores. Sir, am I to understand that in India we cannot Rs. 100 crores as wealth-tax o"" at least Rs. 10 crores as gift-tax? But that has not been col-; lected because there is no political collect the taxes. That is again will to because those who pay the taxes also contribute to the funds of, the ruling party. But this is only^a: tip of the ice-berg. Sir, I only refer ' to Two questions and answers in this very House. One is off" the 18th March, 1980. My question was; What further progress has been made in the coUectsudget (General)

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"The Central Board of Direct Taxes collects quarterly reports in the Directorate of Recovery about cases in each of which gross income-tax demands exceeding Rs. 10 lalths as at the end of the quarter were outstanding. These reports are discontinued in respect of those cases where the arrears get reduced below Rs. 10 lakhs."

So, upto Rs. 10 lakhs, one can evade infinitely. Only if I am able to evade taxation beyond Rs. 10 lakhs, then this great, mightly, competent Central Board of Direct Taxes wakes up. And what is the collection, Sir? I will read from this question and aiMwer on the 18th March, 1980. In the case of G. D. Birla and B. M. Birla, it comes to nearly 30 lakhs. "Demand notices not served under High Court's order." In the case of Raja Baldeodas Birla Santati Kosh, it comes to nearly Rs. 1 crore. The Demand was staved by the High Court. I can quote one after the other. In the case of the Kamanis, the demand would be Rs. 30 lalfchs but the demand was stayed by the High Court. So, Sir, the whole list is there. The ACCs, the Birlas, the Bajoria, Jalans, the JKs, the Kilachands and so many others are there. But there is hardly any collection from the top rich. The question put and the answer given on the 18th March clearly proves that.

Sir, a special cell was set up a few years back. For what? For special investigation into the tax evasion by the large industrial houses like the Birlas, the JKs, the Modis, the Jaipurias, the Thapars and others. In reply to my question on the 13th March, 1979, the Minister states about the Birlas, the Singhanias the Modis and others that investigations in 432

companies belonging to or controlle«I by the above groups are being overseen by the special cell. Here is such a cell to find out the evasion by large industrial houses where you have discovered that 432 companies are evading taxes. What action has beeft taken? As a matter of fact, the expenses today on the special cell are much more than what you collect through this special cell from monopolists who, as I have pointed out before, immediately go to the High Court and get an injunction in collaboration with the income-tax of Rcers, which is unfortunate. Not only that. Sir. The worst things are happening in connection with tea gardens lor the last five years. Sir, I am quoting first from the question asked on the 23th March, 1980, in the Rajya Sabha: Whether it is a fact that Sterling Tea Companies have paid huge commission to the British managing agents without payment of income-tax, to the tune of Rs. 70 crores? What are the details thereof? The reply, Sir, by Mr. Jagannath Pahadia was that the information was being collected an\* would be laid on the Table of the. House. Sir, the next was given on June 17, 1980. answer What ^wa» said is this: Demand under section 201 read with section 195 has so far been raised in the following 11 Sterling Tea Companies, namely, the Hope tea company, the Chalsa Tea Company, the Meenglass tea company, the Le-bong tea company, in all eleven tea companies, and the total tax demand was Rs. 568.67 lakhs, i.e. nearly rupees And, Sir, what has been the 6 crores. competence of the Board in all these cases? The demand.^ raised have either been set aside or cancelled by the appellate authoritie?. Now. may I ask Mr. Venkataraman. have you appealed to the Supreme Court about this massive evasion by all \*he-Sterling tea companies amounting to Rs. 60 crores? Then, Sir, may I ask. how many more companies, out of the 83 Sterling tea companies, who are served again with notices under section 201 read with section 193. whose total tax demand will be Rs. 50 crorev

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[Shri Kalyan Roy]

paid their have taxes? Hush-hush arrangements, behind the scene arrangements, are going on between the Sterling tea companies and the Government of India to compromise on the whole issue. This is the scan-

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- dalaus position of tax collection. Sir, evasion, as I have pointed out, is massive and scandalous. So, Sir, this is the performance of the Income-tax Department. We should thank Mr. Venkataraman and all the Finance

Ministers for the brilliant performance of the Board and the Income-tax authorities. Unfortunately^ Sir, the Finance Minister ig silent in the entire Budget on the income-tax raids and searches. He has not said a word whether he is going to search these monopolists, the houses of monopolists, the Sterling tea garden owners, the big business houses. There is not a word about searches. It seems that just like the Janata Government Mr. Venkataraman has totally abandoned the idea of any searches because he

says, and very clearly, and I quote from his reply in the Lok Sabha, a very illuminating reply...

THE VICE-CHAIRMAN (SHRI R. R. MORARKA): You cannot quote from the proceedings the Lok Sabha of (.Interruptions)

SHRI KALYAN ROY: I am sorry, Sir. I will not quote. I will just mention only. He says, the rich are avaricious and greedy. But that is the usual tactics of that class in our country. But Mr. Venkataraman is not going to be harsh or hard on them. He cannot be harsh or hard on the monopolists, who are greedy and avaricious, according to him. But he can be very harsh and hard on the Poor people, whom he has now fleeced through the Budget.

Sir, I have a little bit deviated because I was discussing the question of withdrawal of the agricultural income-tax and taxation on agricultural

I wealth. In this connection, I refer t« I the collection of income-tax and Aeir I failure. So, the question naturally arises, if this is the condition o\* the i collection in the xirban areas, tken ' why should they abandon the collection of wealth tax on agricultural pc», party? As a matter of fact, a question has been raised regarding the abolition of wealth tax on agricultural prs-' perty. Has there been a reduction in the ranks of affluent agriculturists? On the other hand, the real impression is that the affluence of the richer section of the agriculturists has increased over the years, and yet he has chosen to withdraw it, perhaps, to suit the wishes of the big peaisants which dominate Haryana. and Punjab scene. So, the entire burden has been, passed on to the common man, the workers and the weaker sections. And what is the purchasing power of the weaker sections? 1 am quoting from what the Minister, Mr. Barot, stated in this House on 2Sth June 1980. The Deputy Minister far Finance, Mr. Barot, said: "The !»i\*r-chasing power of the rupee on April 1980, as measured by all-India working class consumer price index works out to p. 26." This is the purchasing power of a worker. And he has not a word to comfort him; rather he WMit on imposing taxes on him. He cannot be harsh or hard on the rich.

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Discussion

Not only that. Sir, I can give you one instance of the condition in India today. Now, the Members of Parliament are aware of what is the purchasing power of a worker. Let u.s take now the number of fatal accidents in factories in India which information was given on 25 th March 1980. In 1975-76, the total number of workers killed was 660 and in 1978. the number went up to 819. la 1975, 2,41,692 workers were seriously- injured and in 1978, the figure went up to 3,39.037. Nowhere in the world has therp been serious injuries t« workers of this dimension. And these are the people who have been tfce

target of Mr. Venkataraman. And what are we supposed to do? Accor ding to him, we are supposed to dis cipline ourselves. The worker has to give up his right to strike; he has to Venkatara co-operate, because Mr. man said it very clearly in his speech "The success of the and 1 quote: Budget however depends upon the co-operation of all people who work fields factories power in the or or ports, railways or coal stations mines." must congratulate Mr. Venkataraman. Before the Budget, he admitted candidly t'hat he talks with the industrialsts, and after the Budget, when the Prime Minister and other Ministers were present, Mr. Venkataraman was very conspicuously absent on the 1st of July when the trade union representatives were invited by the Prime Minister, and the Prime Minister was to talk to them about the economic situation. And he wants co-operation later on. I must say bravo, Mr. Venkataraman, bravo. He further stated t'hat he is not committed to any particular radical Une or reactionary line and he believes in mixed economy. We are committed to the philosophy of mixed economy but the trouble is, the lid is off. If anyone has any doubt, one has to read the latest report of the Economist published from London which has stated:

"Last week's Budget suggested that her Government was taking the capitalist road to development."

This is from the *Economist* latest issue, 4th July, 1980. This is the Budget, and he tries to paint it as mixed economy Budget which will not be believed by anyone and basically he also does not believe it.

Now, the national rural employment programme provides Rs. 380 crores. It sounds nice. But may I quote from the Political Economic ^ *Weekly* which has commented on this massive programme? Mr. Venkataraman might not have the time to read it:

"This works out to Rs. 3.75 to Rs. 4.00 per manday of employment. Clearly, after providing for inevitable administrative expenses^ and the even more inevitable 'leakages' there may be just enough left for payment, most of it in the form of foodgrains, of a bare pittance of a wage to those employed. To talk of creating productive assets or of opening up opportunities for self-help is, therefore, just so much moonshine."

whom is he trying to bluff? Where is the infrastructure? Where is the organisation? Now you have provided Rs. 340 crores. One can say, as has been pointed out by the 'Economic and Political Weekly', that the money will not be spent; it will be returned. As a matter of fact, did you not hear the same thing before? In, 1974, I asked a question. The question number was 214, dated 1-3-74. To this, it has been said:

"Cash scheme for rural employment was launched in April, 1971 to provide employment for ten months in a year to one thousand persons in each district."

Mr. Venkataraman should find out how many people in how many districts got jobs. Let us be frank to each other at least here; may not be outside. The Finance Minister has said that there will be an appreciable improvement in industrial and agricultural production if the monsoon turns out to be normal and if we continue the sound, economic policies already initiated. This has been said by him in Para 120. on page 31 in Part B of his Budget speech. Is that possible? What about the complete and total breakdown in law and order in the entire North-East India? Its economic and other consequences have already proved disastrous to the entire country. Has he considered its total imi>act and effect on Government exproduction and Government revenup,, which wiU be nearly Rs. 200

# [Shri Kalyan Roy]

to Rs. 300 crores? The Finance Minis. ter is completely and unfortunately oblivious this thing. Now, Mr. Venkataraman may say that we are only criticising him. ask genuinely and sincerely nMy 'You are only criticising me; what about any alternative taxation proposals?'. He may say that he has to get revenue and he has to mobilise resources. I would like to point out just one thing to him. Now, take the question of bonus shares. Sir, know, bonus as vou additional shares are shares issued free of charge to the shareholders in proportion to their existing shareholding. Sir, you will find from 1975-76 up to 11th June, 1980 according to the Finance Minister, as has been stated by him in this House^ on 17th June, the total bonus issues amounted to Rs. 532.71 crores in all these years. May I point out to him one thing? Is it not a fact that companies issue bonus shares to evade high dividend? There is no dividend tax now. They do so in order to create an impression that they are not paying high dividends, in order to cheat the "workers and the Government. But the shareholders get more money without paying anything for the extra Sir, you know more than e. The tax on the issue of shares anybody else. bonus shares was first introduced as early as in 1956 by the then Finance Minister, Mr. C. D. Deshmukh. Then, this particular tax was withdrawn as a result of opposition by the industrialists. the tax on bonus issues was revived in 1964 and this was imposed both on the companies as well as on the holders. Again, this was withdrawn. As a matter of fact, that is why. many companies have found it convenient to issue bonus shares instead of increasing the dividend. I asked a specific I asked this question on the question. 25th Marcfi. 1980 I asked him whether he is aware that these companies have been issuing bonus shares are guilty of non-payment of provident fund and wages of workers, evasion of taxes and other

Discussion serious economic offences. Mr. Ven-kataraman replied:

"Ordinarily the financial position of companies satisfying these guide, lines would be *sound* and it is highly unlikely that they may be in default of non-payment of provident fund and wages..."

Now, Mr. Venkataraman should know that at least 40 per cent of the companies which have issued bonus shares have indulged iu all types of economic like non-payment of wages, oflfences misappropriation of provident fund and You do not carry out a survey so on. even. You do not try to find out. You just dismiss the accusation. It is your duty. With our permission from you, companies cannot issue bonus shares. You have not found out whether they have cleared the provident fund dues, the wage dues and the income-tax dues. You do not bother to do that. When the Congress (I) came into power, there is spurt of issue of bonus share which you can easily tax. don't you do that? What prevents you^ Mr. Venkataraman, to do that. Once you impose the bonus tax, the Duncan Birlas, thg Birlas to Brothers to Singhanias will stop paying money for elections, liet us be frank, let us not hide it. Here is a proposal which you refuse to Much has been said about implement. the public sector and its performance. I do not have much time to read, I am only drawing the attention of Mr. Venkataraman to an article which appeared in the Bcono-mic Times on the 23rd March, 1979, 'Public Sector losses an accountant's illusion'. I may ask and several hon. M.Ps. have also asked, well you have invested Rs. 15000 crores and the return is lesg than Rs. 200 crores. What is it? May I ask there is Rs. 15000 crores of black money in the country what is the return to the revenue? And how can the public sector compete with the private sector? The private sector has misappropriated—I quote the Labour Minister—Rs 30 crores of provident fund, Rs. 250 crores of wages. They do not pay income

taxes. They do not build houses and you want the public sector to compete with the private sector. It is not surprising that the Janata Government gave a permanent blow to the public sector. Shri H. M. Patel gave a damaging blow by withdrawing price preference and purchase preference. As a matter of fact, the Prime Minister has expressed the opinion that it should be restored again, but there is not a word about it. Do you want the public sector to be crippled permanently? Then what is the difference, I may humbly ask, between Mr. H. M. Patel, Mr. Charan Singh and Mr. Venkataraman? You do not want the public sector to stand on its legs. You want it to be the attendant of the private sector.

Sir, I hope even today he has time before he finally replies^ to tell the people that the damage done to the public sector by the Janata Government will be repaired and the public sector will be able to stand on its own legs. I wish Mr. Venkataraman were there on the 1st July when 21 trade representatives of mines, ports, docks, banks, INTUC, CTKU, HMS and BMS were all uniled in one voice in saving that the public sector has been damaged by the bosses from within, by the Ministry and the Bureau of Public Enterprises. I wish you would have heard what Mr. Kulkarni of the iNTUC, Mr. Ramanujam of the INTUC, Mr. Das Gupta of the UNTUC (Mines) had to say about the attitude of the public sector towards the trade representatives in the public sector. So, Sir, Mr. Venkataraman I think, does not want the public sector to flourish.

SHRI A. G. KULKARNI: I .nentioned about the public sector, that the functional directorship and the managing director\*ip must be delinked from the bureaucracy, nothing else,

SHRI KALYAN ROY: I have no quarrel with you. Sir, the suggestions or the points for improvement or cost

reduction put forward by the trade unionists are always rejected by the public sector bosses. I wish Mr. Venkataraman were present on the 1st of July when the Prime Minister listened to us from 4.00 P.M. to 7.38 P.M. and took notes of the points.

You talk of mines. Do you know, Mr. Venkataraman, when you talk of labour unrest, there has not been enough labour unrest in the coal mines? What is the position? Till today not every colliery has an ambulance. A worker in an accident is taken to the pit top and it takes 24 hours to take him to hospital for lack of ambulance. Not more than 15 per cent of the colliery workers numbering about 7 lakhs are supplied with drinking water. The accident rate in this country is the highest. Today not more than 20.000 workers out of 7 lakh workers are provided with quarters and those quarters are fit for pigs to live in. This is the position

Then, are you serious about the coal production? If you are serious abou power and coal, I may ask, Mr. Ven kataraman, why is it that the post the Chairman of the Neyveli Lignit Corporation is still vacant? Why i it that there is no Secretary of the Coal Department in the country? Wh is it that there is no Chairman of the DVC also? What is happening to the country? You talk about power an coal. Who is the Chairman, We do no know. There is no Chairman of the DVC. He has been made the Persor nel Department's boss in the Prim Minister Secretariat. the Secretary of the Coal Department There is none. Who is the Chairma of the Neyveli Lignite Corporatic which supplies bulk of the power • Tamil Nadu? There was a stril there last week. Mr. Venkatarams must have been there. There is i one. Most of the posts in the Pub] sector are vacant because you ha not been able to find your nomine and sycophants.

SHRI A G. KULKARNI: Mr. Kal-yan Roy, there is one Lorfl Venka-teshwara who takes care of every thing. It is not for Mr. Venkataraman to take care of it.

SHRI R. VENKATARAMAN; So all will go to heaven.

SHRI KALYAN ROY: I thought that the Budget would be a more serious exercise and he would apply his mind to the serious problems facing the country. I will finish by quoting from the Newsweek. You are presenting the Budget in a developing country at a time when the world is faced with the worst slump situation. This is what the latest Newsweek—of Jung 30, 1980—states—and I quote:

"The United States and Britain already face harsh recessions, Canada is sinking fast and growth seems certain to slow in West Germany, Japan, France and Italy".

We are facing the worst global slump since the Great Depression. And that is the reason why the top leaders of the West European countries met recently. There is depression in the capitalist world. They are not going to allow your products to enter their countries. Your hope of getting over Rs. 500 crores from the International Monetary Fund is an illusion because that trust fund has been created from the gold auctioned by the International Monetary Fund. Tiiat fund has been depleted totally; there is~ no trace of it. Now you are going with a begging bowl. There is reason to believe that you have to give political concessions. In this connection I want to quote from the Newsweek. Mr. Venkataraman, instead of smiling, you should get time to read some of these journals which expose the capitali.<!t world. (Time hell rings) I am finishing. Sir. Turkey also wanted money from the IMF exactly as Mr. Venkataraman wants.

SHRI A. G. KULKARNI; You are quoting from?

SHRI KALYAN ROY: The Newsweek, dated June 30, 1980. This is what it says:

"The International Monetary Fund has agreed to give Turkeir a three-year \$ 1.6 billion loan—the largest financing in the agenojr's history."

And what had Turkey to give ta get the IMF credit?

"To get the IMF credit the government of Prime Minister Suley-man Demirel promised to cut subsidies for state-owned industries, ta reduce public spending and to devalue the lira by 22 per cent later this year".

This is the price Turkey had to pay: to devalue the lira, to cut down public sector expenses an public spending. You will have to pay the price Mr. Venkataraman, otherwise you don't get it.

I would only end my speech by quoting what Ms. Salve of Congress (I) had said in this House on March 15, 1979:

"This is a budget in which the poor have been ignored. Those at the poverty line have to bear an unbearable cost and the economy of the country is being damaged".

Thank you, Sir.

SHRI U. K. KRISHNAN (Tamil Nadu): Mr. Vice-Chaiilman, Sir, at the outset I have to congratulate the Finance Minister for having sparei the common man from heavy taxation. Only a couple of weeks ago, *the* Railway Minister had taxed the common man heavily and before that (he prices of petroleum products had been raised enormously.

The Budget presented by the Minister shows the revenue to be *at* the order of Rs. 19,827 crores and expenditurg to be to the tuns of Rs. Sl,46? crores, leaving a deficit of Rs. 1649 crores. The Minister had 3 P.M. levied taxes to the tune of Rs. 282 crores and a sum »(

Rs. 1417 crores would be left uncovered. Every year, while presenting the Budget<sup>^</sup> the Finance Ministers have been leaving 'huge amounts of deficit uncovered. I do net know how the Finance Minister is going to cover Rs. 1417 crores within a year. This will definitely lead to inflation.

It is good that the Finance Minister has raised the minimum level of income subject to taxation from Rs. 10.000 to Rs. 12.000. But it should be raised to Rs. 15,000. Even according to aGovernment report a sum of Rs. 10,000 in 1977 is equal to a sum of Rs. 13,000 today. It is a welcome feature to note that the tax payable at the highest level of income has been reduced from 72 per cent to 6S per cent. The present Budget encourages saving to some extent. The effort made by the Finance Minister to encourage savings, restoring the concessions available lor specific farms of savings to the level prevailing before 1979 will help the saving tendency of the people. The proposal to raise the wealth tax from Rs. 1 lakh to Rs. 1.5 lakh and the proposal to discontinue the levy of wealth tax on agricultural property is a welcome feature in the Budget. The liberalisation of the depreciation allowance to the corporate sector is a good sign fo» promoting industrial growth of the nation. But it should be checked, Otherwise, the industrialists will take an undue advantage of the depreciation allowances and take away huge amounts of money by inflated methods even though nothing was done by way of depreciation.

New industrial units are sought to be helped in raising the capital in the market by a 25 per cent tax holiday in seven years, an additional depreciation equal to 50 per cent of the normal allowance and a reduction of 25 per cent in Customs duty on plant and machinery. The small-scale sec-tar will benefit substantially from the exemption of the Excise duty on out-Fut up to Rs 30 lakhs.

It is regrettable to note that tko thermal power capacity utilisation has declined to 45 per cent. la most parts of the country, the industrial growth has been stagnant for want of power. The allotment of Rs. 2,745 crores for the power sector is inadequate. Special attention should be given to power production. I request the Minister to hand over the Neyveli Thermal Power Plant to the Government of Tamil Nadu. Only Rs. 92 crores have been allotted for the Nevveli Lignite Corporation. It is for a second mine project which will produce 4.5 million tonnes of lignite per annum and for a second thermal power station with a generating capacity of 630 MW. It is very very inadequate and I request the Minister to raise the amount at least by Rs. 15i crores.

The food-for-work programune should be implemented throughout the country and in all States rice should be given as a part of wages for the scheme.

Sir, it is highly regrettable to note that only Rs. 57 crores have been allotted for the Salem steel plant. I would like to get a categorical assurance from the Minister that the Centre would come forward to have an integrated steel plant at Sa.lem as planned and not gtop with cold-roUin? plant now under execution.

Sir, more than 100 applications for setting up industries in Tamil Nalu have not been cleared by the Central Government. I request the Minister to see that all these applications are cleared. In one instance, an applica. lion for getting up an industry ii Tainil Nadu for manufacturing lita nium sponge by making use of the raw materials available in Tamil Nadi has been rejected and the project habeen given to a powerful industrialis in India. Such kind of partisan atti tude should be checked.

I wou"id request the Minister t consider the proposal of setting up 0 a railway workshop at Coimbator

### [Shri U. R. Krishnan]

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The State Government hag assured power and water supply at subsidised rates. Agriculture is the backbone of eur country. The small agriculturists are sufffering from debt which they have got either from the Government or from the co-operative societies. In this connection, I would like to ask the Minister to write-off all the agricultural loans. The Tamil Nadu Government hag requested the Centre to write-off the agricultural loans.

Sir, yesterday, while presenting the Budget in the Tamil Nadu Assembly, the All-India. Anna DMK Government headed "Puratchai Thalivar" MGR has written-off the agriculturists' debts to the tune of Rs. '58 crores, and I hope the Centre will have a sympathetic view upon the poor agriculturists and that they will be relieved of the burden. Every day in India there are agitations by the farmers for writing-off of their loans. The fertilizer prices have been raised because of the price rise) of the petroleum products. The Government should come forward to protect the interests of the agriculturists. There was a reasonable and persistent demand for raising the procurement price of paddy from Tamil Nadu at par with the wheat procurement price. I hope this demand will be considered immediately.

There was not even a whisper about setting up of a Supreme Court Bence in South India. People find it very difficult to come to the Supreme Court is it involves a huge amount of expenses for coming from the South. Justice should be made easily available to the poor. There was a talk about holding one of the Parliament sessions in South India, i was one of the signatories to the memorandum submitted to the Prime Minister,, and I hope this proposal will also be given effect to.

In Tamil Nadu, the All-India Anna QMK is strictly enforcing prohibition. The Tamil Nadu Government is losing roughly about Rs. 150 crores per annum becf.use of enforcing prohibition. I would request the Minister t» make adequate compensation for the Government of Tamil Nadu for enforcing it.

1980-81—General

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The BHEL at Tiruchi should be expanded. Boiler manufacturing capacity at Tiruchi has to be stepped up. The Madras Port should be expanded so as to handle passenger as well ;i£ cargo ship. At Madras Port one ahiprepairing unit should be started immediately. The licence fee for all-kinds of radios should abolished. There should be no discrimination between one set of radio and another. The abolition of certain restrictions on the deductable amount of expenditure 1 on advertisement, publicity and gales- ' I promotion will certainly help to boosl the sales of goods manufactured by the small scale industries. It will also help the small newspapers.

The proposed levy of tax on the imported

unexposed colour positive cinematograph films will certain affect the cinema industry, I reque,s.

the Minister to reconsider the proposal. The exemption or reduction of taxes on the lifesaving drugs, controlled cloth, cotton and cotton-viscose

blend hosiery, cycles, sewing machines: pressure cookers, soaps, toothpaste will certainly help the poor man.

The increase in the price of the postal covers is unwarranted. The charges for the local calls of telephones should be uniform irrespective of the number of calls, and J would request the Minister to withdraw the increase in the charge of the local calls after 1750 calls.

For want of potassium chlorate, ihe match industries were being clesrd. But I was told that the D.G.T.D is not giving permission for setting up new potassium chlorate manufactur-,ing industry. The bureaucrats sitting at the top in the Government., are unnecessarily giving trouble to the persons who are coming forward to set up new industries with new technology. This kind of interventiOH affects the industrial growth of the

The proposal to allow the public sector companies to raise deposits from the public is a welcome feature. But it should be sparingly used, and the public sector undertakings should not be over-burdened with the collection of deposits.

The handloom industry is the most affected industry at present because of the powercut, shortage of yarn and the poor market. The idea of setting up a Handloom Development Corporation will certainly have good reception. I would request the Minister to set Up the proposed Handloom Development Corporation in Tamil Nadu since it is an ideal place in India. We have handloom develop cloth varieties, their designs etc. according to the latest choices of people. Every day fashions changing. Some of the handloom cloth sent abroad has been sent back to India as out of date. The proposed Institute of Handloom Technology can be set up in To protect and develop the Tamil Nadu. handloom industry, the Central Government should come forward to grant subsidies liberally. The allotment of Rs. 150 crores for this i vital industry is very meagre and the allocation should be increased.

There are moi-e than 26 million unemployed youths in this country. Nearly five million jobs are to be created during 1980-81 and an equal number will be joining the national work force this year, it is painful to note that nothing was mentioned in the Budget as to how the problem of unemployment among the educated persons is likely to be eased out. Labour and job.oriented industries should be started in all the States.

Sir. in India most of the land fit for cultivation is lying fallow for want of power and water. The Government •should pay nnore attention to this a-:-pect and come forward to help t'le owners of the land to make fallow

lands as lands fit for cultivation. For thig purpose, all the inter-State rivers should be nationalised and more dams should be constructed wherever possible and the irrigation facilities thereby should be increased

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Discussion

Electrification of villages should be attempted through solar energy\(^\) even though solar energy is more expensive today.

Even though the Annual Plan 'expenditure has been raised by 14 per cent ag compared to last year, the amount of Rs. 7,340 crores would be actually smaller by 8 per cent in real terms ag compared to the actual Annual Plan outlay of 1979-80. The external assistance of Rs. 1,200 crores is too small.

Sir, just now the Hon'ble Member, Mr. Kulkarni, pointed out about the operation of a Caravelle between Bombay and Madras when Airbuses and Boeings are being operated elsewhere. I would request the Minister to see that Madras is linked to Port Blair,, for which there has been a demand for a long time. With these words, I conclude Thank you.

SHRI V. P. MUNUSAMY (Pondi-cherry); Mr. Vice-Chairman, Sir, I would also like to place my views on the Budget. Considering the tremen-doug debris under which the economy was placed on the eve of the Budget, it is certainly a Herculean and unenviable task for any Finance Minister to frame a Budget which would ensure the growth of the economy. The Finance Minister, Mr. Venkataraman, has certainly produced a splendid Budget.

Sir, under direct taxes, the raising of the exemption limit to Rs. 12.000 on personal income-tax, reduction in surcharge on noncorporate tax and absence of fresh levies on the corporate sector reflect the keen desire of the Government to promote savings and investment. While raising the exemption limit for personal income. tax to Rs. 12,000, the Finance Minister

[Shri V. P. Munusamy]

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has very carefully retained the "nil rate" slab of income at Rs. 8,000. This will ensure that there is no sacrifice to net revenue, and it will also act at the same time as a powerful stimulant to savings in approved forms. I hope many tax-payers would definitely take advantage of this exemption limit by appreciably increasing their savings.

The revival of the tax on interest recovered by the banks and certain other institutions has also to be welcomed. Since interest on borrowed capital ig a deductible item in computing profits for tax,, the firms lean heavily on borrowed capital. This tax will make borrowing costlier and will induce the firms to keep down the.'r expenditure. Actually, which this tax was earlier withdrawn, it had no effect, but it rather encouraged higher expenditure. The raising of the exemption limit for wealth tax to Rs. 1.f^ lakhs will apart from relieving small wealth owners, help the Department to concentrates on bigger wealth-tax assessees.

Coining to indirect taxes, the Finance Minister has carefully left out many items of magg consumption from the proposed increase in special excise duties. Faced with a deficit of a sizeable order,, the Finance Minister had no alternative but to tap resources from indirect taxes. This he has achieved with simultaneous relief in duty on many important items like life-saving drugs, controlled cloth, cycles, cycle parts, sewing machines, pressure cookers, etc.

The revision in prices of diesel,, petrol and other petroleum products are exi>ected to yield Rs. 2,100 crores. Thig taken together with increases in railway freights and excise duties will imply that indirect taxation attempted so far will amount to about Rs, 2,700 crores. I hope that by adoption of suitable measures like strengthening •f public sector and public distribution system and restriction on unnecessary

expansion of bank credit for nonessential sectors etc. the pressure on prices will be checked very well.

With these words, i welcome the Budget and thank the Finance Minister for his bold attempt.

SHRI B. IBRAHIM (Karnataka): Mr. Vice-Chairman, with pardonable privilege and benevolent pride, I have the pleasure of congratulating the Finance Minister for having presented one of the finest Budgets we have seen ever since independence. The Budget proposals for the year 1980-81 represent a realistic approach which was most unexpected by the Opposition.

After the massive victory of our Party both in the Lok Sabha elections and also in the recent Assembly elections, people were rather worrying themselves as to the burden of new taxation they may have to bear, while the vested interests were very eagerly waiting to take undue advantage of the situation, as if to make hay while the sun shines. But thanks to the Budget proposals of the Fin.^v^ee Minister<sup>^</sup> which are upto- the expectations and aspirations of the people who 'have immense faith in the policies and principles of the ruling party, the opposition was completely taken aback and they are utterly disappointed and are in disarray.

Our economy which was at its worst after the rule by Janata Paxty for 28 months was brought back to its track by the Finance Minister. The common man is indebted to the relief given on his daily needs such as controlled clothes, gewing machines, bicycles and bicycle parts, ma.tch boxes, toilet soaps, tooth paste<sup>^</sup> pressure cook ers and other various items TV.e middle classes are happy that no licence fee is payable on small radio sets. Raising of income limit from Rs. 10000 to Rs. 12,000 will (benefit at least six lakh assesses. Reduction of surcharge from 20 per cent to 10 per cent to all categories, and wealth tax limit enhancement from Rs. 1 lakh to Rs 14 lakhs are some other salient

fresh of the Budget. Duties only have been raised such items which would affect the upper classes and that too especially on imported goods. This would curb the encouragement given to imported goods which will now cost more only to those who can afford to pay and spend more. Sir. the honourable Finance Minister must certainly be congratulated again for pointing out that the middle class is the worst hit by the rise in prices in the recent years. I am s^re every mem-bej; of this class will congratulate the honourable Finance Minister for raising the exemption limit to twelve thousand rupees, as already stated, and for reducing the surcharge to ten per cent and raising the exemption limit on Wealth Tax up to Rs. 1.5 lakhs. While welcoming all these measures, I would like to put before the honourable Finance Minister one thing particularly in view of his very correct observation about the middle class, and it is that the- present slab rate be changed to the next higher slab of income, that is, what is applicable to, say, the income of fifteen to twenty thousand should be applicable to the next higher slab^ that is, from twenty to twenty-five thousand. At least this should be made applicable to those people like doctors, lawyers, etc. and others who are on their own. People who are employed in firms and companies enjoy a lot of perquisites at the expense of the firms or companies in which they are employed whereas those who depend on their own have to suffer. Apart from this, the Wealth Tax exemption should be laised to two lakhs. But the rate of Wealth Tax could be raised higher for more than two lakhs. Apart from bringing in more revenue, this will prove a disincentive for building vast and ugly houses and may help in diverting such money for proper savings where some incentives could be provided.

I would also like to point out the j^uperluxury which the Central Government employees are enjoying which goes in the name of Bharat Darshan. Sir, when a Central Government em-

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ployee ig working far away from his home, it is legitimate that he be given rail or plane or bus concession to visit his home-town once in two years for more than 200 km. But, today, one finds it difRcult to get bookings in the trains or planes or in the buses as these are crowded by the Central Government employees and their familie who are-on their Bharat Darshan trip which privilege no other employee in any other country ig getting. So much of valuable and scarce diesel is used by the travel agencicg organising group travels with their buses for those Bharat Darshan people. What is worse is that a lot of malpractice is going on and the people and the travel agencies collect the money without the persons really travelling. So, Sir, when tlie country ig going through a very critical period, this concession may be curtailed for the time being and can be revived when conditionjj improve, and further, Sir,, my request would be that this amount may be diverted towards other productive sectors oa priority.

Sir, after the mere presentation of the Budget proposals, the share markets have shot up which clearly indicates the confidence and security on the part of the investing sector. Small industries have been encouraged; priority has been given to rural employment schemes; and integrated programmes have been framed to improve the social conditions of the Scheduled Castes and the Scheduled Tribes. All these are a clear indication of the direction of the Govern-ent which has a clear vision. Abolition of the agricultural Wealth Tax is in their favour and in favour of encouraging agricultural production. S» far the incomes of these people were commensurate with the burdea involved in the same. It is only the higher production of agricultural commodities and higher industrial production which would stabilize the eijinomy of the country and wtiich wouli ensure wiping out deficit flnancinS provided cooperation is to come from all and from every direction.

[Shri B. Ibrahim]

Sir, the overall deficit would have been reduced to a mere four hundred erores or less from Rs. 1,400 crores if the total expenditure had not been raised by another Rs. 1,400 crores in the regular Budget than in the interim Budget which clearly indicatecf that the Finance Minister wag more particular about presenting the most practical picture of the economy of the country. Proper care has been taken for easy implementation and honest compliance with tax laws, perhaps thig is one of the best ever Budget proposals welcomed by one and all irrespective of party affiliations. Old pensioners are happy with standard deduction from there pension amount. Revitali3a.tion of 20-Point Programme, keeping in view the developmental thrust to help the poor with proper directions to Banks to give more priority^ ig welcome. The decision of the Government to set up import-Export Bank, which provides price stability, simultaneous increase of production and employment is the significant feature of the Budget proposals, as also the provision of Rs. 50 crorea to provide houses for the poor which 13 most anticipated by the poor class. The Kovei acheme of allowing public sector to invite deposits from the private public will not only safeguard the interest of the investor and will have more confidence to invest by the public, but also curb the unsocial activi-ticg by the private sector.

Sir, for the corporate sector, the >ion. Finance Minister is more generous. For example, there ig a tax holiday of 7 to 10 years for new industrial undertakings with between 20 io 25 per cent of profitg being exempt. An additional depreciation allowance equal to 50 per cent of the normal depreciation on new machinery and plant installed during the new plan period is also proposed. Small manufacturers will now be completely exempted from excise.

The relaxation of the converti-l»ility clause gives the Gcfvern-i»eHt-owned financial institutions a

certain hold on aided mdustnal units. Now the mandatory provision will apply only to loans exceeding 1 crore instead of 50 lakhs and the option restricted to 40 per cent of the share capital instead of 51 per cent, and that, too only in case of continuous closure and mismanagement and sub- ject to Government concurrence.

The sOft loan scheme for moderni-' aation which gives exemption to jute, : cotton, textiles, cement and sugar ' will now be extended to all industries j seeking modernisation as well as I rehabilitation of the units.

Sir, I would also like to point out. at this .iuncture that I disagree with the Opposition Members, so far ais the Food for Work Programme is concerned. This programmie has been successful throughout, and I would request the hon. Minister to encourage this pfrogrammg still seriously.

Sir, a regards the educational system, I would like to point out to the *hdft* Minister that ,the present educational system should be changed and job-oriented training school.s should be started. This is my sincere view on this.

As regard, he dieselisation of taxis, that also should be encouraged.

Now^ coming to the Demands for Grants as mentioned in the Budget, I would like to submit that as regard's shipping and transport and also as regards the Ministry of Steel and Mine", since I am representing the Karnataka State, it is my boundei\* duty to state that the present Budget reserves only Rs. 60 lakhs for the Vinayanagara steel plant, the founda-tioir stone of which was laid by our belovea leader, Shrimati Indira Gandhi, about 8 years ago. But this has been neglected still. I would like to request the Hon'ble Finance Minister to increase the grant for this i5cheme and request him further to start this steel plant as early as possible.

Sir, the other day I had nut a question to the hon. Minister for St«el and Mines regarding the Kudre-' miikh Iron) Ore Project. \ Having\* invested 647.3a crores of rupees, the Iranian Government has not come forward to take Vne iron ore as per their agreement. This 13 what th« hon. Minister has also clearly But he has further assured the admitted House that he is finding out some alternative source to dispose of the iron ore from Kudremukh. In this connection, I would request the hon. Finance Minister and also the Minister of Steel ad Mines to have pelletisation plant, as promised, Mangalore as early as possible. Regarding agriculture, I am told that the rate of fertiliser.3 has gone up by 30 per cent per bag. I would request the Finance Minister to look into this matter seriously and reduce this rate. Further, I would submit that the loarLs should be extended to the needy farmers at a rate of interest which is not more than 4 per cent. Further, subsidies should be provided to the small farmers to enable them to procure agricultural implements, improved seeds, at subsidised rates. The cooperative societies should render assistance to the small farmers in marketing their produce.

As regards the Minister of Energy, I have already requested him and now I request him again to have an atomic power plant, or thermal plants in Kainataka because Karnataka is one State which is worst hit by the recent pov/er problems. That is why, in thj,3 connection, I request the hon. Finance Minister and also the Minister for Energy to look into this matter arad see that, thermal plants or an atomic power plan is provided in Karnataka as early as possible.

In conclusion, I would like to con-- gratulate the Finance Minister again a«d conclude my speech by saying that it should be the common endea-voui- of all of us, rising above partisan prejudices and passions, to hai-neas the people's enthusiasm for the task of development. Thank you. Sir.

G. C. BHATTACHARYA (Uttar Pradeh): Mr. Vice-Chairman, Sir, this budget reflects the characteristics of the present Government and its massive fraud on the people I of this country which will add instability. I am sorry to say that the to I Finance Minister did not have a free hand in framing the budget. The Finance should not take it ill. But he was Minister the victim of circumstances. But as a Member sitting in the opposition, I must bring this to knowledge of this House and through this House to the knowledge of the entire of people of my country. I am sorry to say that it was a command performance. One of the serious consequences of this was that proposal for increasing the bank rates was known to the elected industrialists and traders much in advance as a result of which huge bank loans were secured by them before the budget was presented in Parliament. It has never happened. It is a very shameful affair and I request the Finance Minister to institute an inquiry. I wanted to raise it by way of a privilege motion. But I thought that I .should first point it out in my Budget speech. Sir, I request the Finance Minister that he, as an honesty man, should try to collect information from various nationalised banks as to how much loan.3 have been secured within the 15 days before the budget, was presented, by the industrialists and traders in order to get loan.s at a cheap rate of interest. It is because they came to know that the bank rate was going up. Sir, if this is not done and thw information is not given to th^ House, We will be compelled to bnng a suitable motion. Sir, this is a clear cas© of contempt as well as breach of privilege of Parliament and suitable action should be taken for the same. Sir, I will wait because I have made a request to the Finance Minister that he should find out and collect information and place a report on the Table of the House.

#### [Shri G- C. Bhattacharya]

Sir, the very survival of this coun try is threatened today by undeclared war of secession by the Sine-American axis in the North-Eastern Region and deep economic crisis. Sir, I regret to say that there is no direction in this Budget towards the solution of these problems. Sir, it is very good to take laurels by a cosmetic performance, to give something here and some crumbs there, and frame the Budget in such a way that it looks as it some big reliefs are being given. But, Sir, the country's Budget should not be a matter of gimmickry. The country's Budget, should try to solve the imme diate prablems. the immediate dangers that are facing the country. There is adequate provision for urgent socio-economic problems of the North-Eastern States as a result of whicli secessionist movement in that part of the country will get impetus. So far as the economic crisis is con cerned, the Budget will deepen further.

Sir, the Finance Minister patg his own back by claiming that the Budget is antiinflationary because it is growth-oriented. Sir, in his reply to the debate in the Lok Sabha, he said that there are two ways of checking the inflation and that he hag chosen the second one, that means growth. Now, let us isee whether this claim stands scrutiny even for a moment. I say, Sir, this claim is totally hallow. The inflation wii; increase to 30 per cent as the growth will be more negative. And I wil give the reasons also. Sir, niany applauses have been given to the Finance Minister that he has given many reliefs and that his Budgst is growth-oriented. But, Sir, I respectfully submit that the reliefs given to the corporate sector will be counter-productive as it can earn supei--proflts as it is doing now only in an economy of shortages which will be encouraged by the virtual scrapping of the convertible clause. Sir whatever may be the relief.3 he ii

trying to look himself as a very progressive and socialist Finance Minister. He says, "The i-ich want more but I am not giving the rich whatever they are wanting." But, Sir, one thing is there. The rich in the country, the bourgeoisie the capitalists and industrialists are earning superprofits because of the economy of shortages. And what has the Finance Minister done to tackle this? The more and more rehefs that he gives go to the pockets of these industrialists. They are not interested in increasing the production. They are not interested in development. They are interested in their super-profits. And they can get super-profits when there is an economy of shortages. The Finance Minister ha.s not looked into this aspect of the matter. I said in the beginning that he had no free hand in framing the Budget. This BUofS^was a command performance.

Sir, the public sector which could contribute to the growth, Ls being strangulated by this Government by resorting to indiscriminate imports and by tying up the public sector industries with the multinationals and by refusing to restore antipublic sector measures taken by the previous Governments. The pi'esent Government is acting as a tool of colonial exploitation by the multi-nationals and oilier imperialist and capitalist countries and is thriving on bribery and corruption. The Prime Minister's circuiar to her Cabinet colleagues to follow the policy of self-reliance is only a cover for continuing these anti-national activities.

Only the other day by means of a special mention I brought to the notice of thi.3 House that nine turbines are being imported although the BHEL, is there and can manufacture them. These turbines are being imported at the cost of the BH×L because it *involves Rs. I* crore pay oflf on each turbine. Thi,3 is the state of affairs. This is how these bureaucrata

will misguide the people. But there ai-e people who are vigilant and can quite see through the game.

The failure of infrastructure is an important factor against growth. The Budget does "ot problem tackle the seriously imaginatively. I specially draw the Finance Minister's attention to the few suggestions. There is almost no provision for coal washeries. I will just elaborate this point. The high ash content, in coal not only increases the transport cost but also damages the plants. If there are coal w.i.sheries then not only the transport cost will be 18 per cent less but our sophisticated plants will also be safe. Then there should be mechanisation of coalminer's. Then we should pay special attention to port development, on-shore and off-shore oil exploration, power generation and wagon production. These are the real things which should have been tackled to imprave file infrastructure. He is taking laurels on the ground that he is trying to improve the infrastructure. How? Just by mentioning these things in his Budget .speech. If he was serious to restore this infrastructure, he should have given his thought to this problem. But there is nothing.

Similarly, the problems of agriculture have not been touched. There is no direction regarding the water management. Sir, 45 per cent of our irrigation potential has not been touched as yet. I would like to know what the Finance Minister has done in this regard. Nothing. No special steps have been taken to increase the production of fertilizer. The Bharat Heavy Plate Vessel, which can manufacture fertiliser plants is without order book. The cropping pattern has not been changed nor have any special steps been taken in that direction to solve this problem virgently.

Sir, although the Finance Minister and this Government are contemplating the implementation of the 20-point programme, again there is nothing in the Budget. There is no direction in

the Budget for the land-reforma and for distribution of land to the landless people, without which agricultural production cannot improve. Even

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I many existing tubewellg are out of order. No adequate and sufficient steps have been taken to increase the production of oilseeds and pulses. The problems of education and unemployment have been ignored wiiich aiebound to add to the tensions and

I instability. Tlie reliefs worth a paltry sum of Rs. 16 crores" are only notional and will be pocketed by traders. Here the Finance Minister has tried to take mony laurels. It will not even come to .001 paise benefit per citizen. The traders will say that because ai the high cost of inputs and because of the high cost of transport and other things, we cannot give any relief. No relief is being given because of these enhancements. Rehefs worth R.3. 16 crores were mentioned by the Finance Minister. I was present at that time and every time the Finance Minister was being applauded for this. The common man will get no benefit. Therefore, this Budget may be apparently beautiful to look at but is really dangerous to the stability and survival of India. For God's sake try to mend, otherwise the future of this land is not safe in your hands.

PROF. D. P. CHATTOPADHYAYA (West Bengal): Sir, at the very beginning, I would submit that better we rea?fee that like politics, economics --- particularly that part of economics which We call budget-making, practical economics—is an art of possibility. Now, many of the criticisms I heard from the friends opposite, rest on am I assumption that impossible and the moon could be obtained. So, if we confiHe ourselves to the constraints under which the Budget has been framed, then many of the criticisms appear misplaced. I would say, Shri Veftkataraman's Budget is a calcula-tedly risk-taking and growth imparting Budget and the best possible unedr the constraints obtaining in the Rational economy as a part of global

[Prof D. P Chattopadhyaya] ecoomy. Whatever ^ght be the skUl and the intention of the Budget makers or national economic policy makere today in any country, particularly in the third world countries and developing countries, it cannot be segregated in any significant manner from the world economy. So, if this perspective is borne in mind, I think, Shri Venkataraman has done a very remarkable thing. It is really a delicate task, very difficult task', but very igeniously worked out.

Personally, I would like to thank him on two scores which are rather personal, for having agreed to set up firstly the Eixport-Import Bank, and secondly, the National Handloom Development Corporation. If I remiember a right, rig^il from 1973 I sent this proposal to the Finance Ministry that we need an Export-Import Bank. As Commerce Minister I thought that it was necessary but it took some seven years to pewuade other Ministries and other concerned policy-maliing bodies and to convhice them that it was necessary. I am. very glad that it is in Shri Venkata-raman's time that this decision 1\a3 been taken by the Government.

Also, Sir, this Handloom Development Corporation is a part of 1) point programme. You would ttiat there was no Handloom Development Commissioner. We had only a Textile Commissioner. But in a big huge country like ours, handloom sector is only second to agriculture in terms of employment potentiality, and otherwise very important. But there was no Handloom Development Commiissioner's organisation at that time and -we thought of creating it. We did it but it was undone during the Janata period unfortunately. So, not only that what weis undone has been undone but a step beyond has been advanced and a separate corporation has been set up.

SHRI SUNDER SINGH BHANDARI (Uttar Pradesh): There you are not correct.

PROF. D. P. CHATTOPADHYAYA: It was removed from where it should be, and it was wrongly placed. And that it has been wrongly placed, has been realised now. And before the Sivaraman Committee, if you see, you wiU find that this problem was not attended to which, in its importance, is next to agriculture, as also ia terms of economic potentiality and growth. So 1 personally welcome thia Development Corporation in the handloom sector.

1980-81-Genera[

Before I turn to some specific aspects of the Budget, I hope it wiU Hot be out of place if I mention some of the gibberish mouthed by some of - my friends opposite in an ostrich-like fashion quite oblivious-I do not know how genuine—apparently of what has been achieved. This is a music whick 1 have been hearing for quits some time. It has been said that the Congresis has not done anything in the last 30 years. The people who have said it, many of them, are very old and some of them are very good Congressmen. Sometimes, even obvious tilings need to be i-epaa'.ed. When this country was free, in 1947, tile food production of the undivid.^d India was 47 million tonnes. Now, today when the population has gone up to, say, 6a or 64 crors, we have reached an ali-time record in food ptoductioi o milliori tonue-;. Tjiis is not a mean

BHANU RATAP SINGH (Uttar Pradesh): 131.6 milUon tonneii.

#### PROF. D. P. CH:' :)HYAYA:

On a liberal estimate tiic national xequixement may perhaps fca ilo miUion tonnes. But we can go itp. We have, that way, made a ,^ery significant dent. When the country was not free, the longevity ^f a person wais, if I am not mistaken, 28 or 29. Now, it is 55 to 56. These Sg'ires I am mentioning simply because these are unmistakable and very representative figures and indicators of, in one respect, the health of the economy as well as t'he status of .social justice.

Thig is because health and education are two major indicators of what we call social justice, dovetailed to economic growth, which has been achieved. I would not refer to other statistics in regard to road and transport expansion, increase in the luim-ber of schools and colleges or the fact that in between U.K. on the one hand and Japan on the other, India is the country having the largst and the best technological and personnel. Under-utilised; true. Brain drain; true. But these are the facts and many other facts, collateral and parallel, could be cited in support of the magniticant tilings whi)ch have\* been~achieved in this country. It is not a question of whether the Janata Party hai3 done thia or the Congress Party has done this. It is the nation which has achieved it. We should take pride in it. In our zeal to deride our political rivals, we should not say that nothing hag Ijeen done. This is what I call a deliberate gibberish mouthed by the ostrichlike critice. If We bear in mind these things as to what has been achieved, then, perhaps, in regard to what is possible to be done now under the circumstances, our criticisms and our suggestions to the Government of India may be of sOme help.

I heard the other day my friend, Mr. Piloo Mody, pile-hammering and pillorying Mr. Venkataraman's sound policy, whicli are measures of punishment. But with his very heavy '.veight, his pile, hammering method of punishing Mr. Venkataraman, on i^crutiny, turns out to be very unsound. He has quoted very eelective figures. As you know, from the vast sea of statistical figures, you can always pick and choose in a very unrepresentative and in a very prejudiced way. This is precisely v/hat he has done. I am referring to some oi the statistics which he hag quoted. (JnterntptioKs)

I would say, Mr. Venkataraman's Budget, if I have rightly understood

it, not only maiutaino the rural reorientation or the village thrust, bat it also goes a step beyond. A patient and careful analysis will reveal thia. There may be, of couise, plua and minus. You may say in respect of one thing, it is less and BO on. 0» the other hand, if you look at the different figures, the many heads and sub-heads, you wUl find that he allocated more money for the rural sector. The total allocation ig more even taking inflation into account. T« flav that in agriculture, nothing signi ficant is being done or luis been done is absurd- I wouldgive eome figiu-ea in regard sugarcane productioft. In 1971-72 sugarcane production in terms of million tonnes was 11.63 in. India, In 197S-77 it went up to 15.85 million tonnes. In 1977-78 it went up to 17.96 million tonnes. In 1978-79 the decline started. It came down to 16.04 million tonnes. So, these facta indicate two thingsdecline in the sugarcane production had set in evea during the Janata period. For the sake 'of brevity I am not saying the Lok Dal period or the Janata period. It can be pre or post split Janata period. So, the sugarcane production declined and the result is, a!l abuses are being heaped on the present Ministry and naturally the main burden is thrown on the Finance Minister. But a scrutiny will reveal that in order to bring down the priceg in hurrybecause they knew they had to go in for elections, being wiffir they had anticipated that the elections were coming-hthy released stock. Stock management or inventory management, as it is called, ie an important part of the 5K>liti-cs. Since there was a quarrel, they knew that the Janata Government wag about to tall. So, what are you going to do? You just release all the stock to bring its price down. That you did. You knew from 1977, 1978 and 1979 the sugarcane production had beei coming down. There was a comfortable stock. But it had to be released in an orderly maimer. Otherwise what could happen has happened.

[Shri D. P. Chattopadhaya] You know, even *in* those days, my iriends must be i-emembering there Was a criticism that sugarcane was feeing burnt on the field, even during their own regime. Certainly, the Janata regime was professedly pro-rural people, pro-village people. So, they had no animus against the cane growers, but even during their regime the sugarcane had to be burnt because then- was a bad policy.

On the oilseeds they say wxiong things are being done. You see oilseed production in 1971-72 in the country in millions tonnes again was 8,75. In 1975-76 it went up to 9.91 Hillion tonnes. It is a significant rise, the highest ever in the country. 1975-76, tmfortunately fOp them and not urifortunately for us, associated with the urifortunatejy for period of emergency and a sPurt of economic activity appeared in all spheres of national life. It went up to 9.91 million tonnes, the highest ever. Even then Wig anticipated that there might be a sort of shortage and during 1976 end, that in the later part of the financial year of 1976-77, there was a big order placed in the world market for the import of edible oils so that the oil price does not go up. And as of that, when we lost the power and they came into power, they got the benefit of the import order placed by the then regime, the out-going Congress regime. So, the edible oil price fall in 1977-78 is not attributable to the sound policy-making of the Janata Government. Figures mil beiar i\* out. In 1977-78 you will find that oilseed production has come down frolm 9.91 million tonnes to just 9 million tonnes, nearly a million tonne fall in production. Then again in 1978-79 Htere is a partial pick up by 9.50 million tonnes. So never that level of ».91 million tonnes of 1975-76 was reached. Coming to foodgrains, as i«ou know; production has gone up i§ 1372-73 to million tonnes. In 1974-75, it was 99.8 million tonnes; in [975-7« it was 121.03 million toSaes;

in 1977-78 it was 126.41 million tonnes and it has culminated in 1978-79 into the figure of 131.37 million tonnes, A very objective analysis will convincingly show that this is the spin-effect of what was done before 1978-79. Agricultural revolution is not like house construction. It ig not like construction a 2-3toi-ey building where if architect and vou allow vou have a good your contractor, almost force your contractor to work day iu and day out, you can throw up a building overnight. Agricultural production is not like tb^t-It cumulative effect o'f a series of policy decisions made over the years, executed o'v^i" the years. So it is not a question of deriding the performance of what went before March, 1977, because even March 1977—i.e. 1977-78— ig also significant. The figures will show that it weaves a pattern: 1975-76, it was 121 million tonnes, 1977-7S 12S million lonnes\_and 1978-79 131 million Then it di'oPs 3bwn in 1979-80. tonnes It has come down not because the Janata Government hfld come down but because of factors beyond the control of either the Con-ress or the Janata. So when we criticise our political opponents, we j should look to what extent it is attri-I butable to natural causes and to what extent it is attributable to human, particularly political and economic causes.

[The Vice Ohairma (Shri Sawai-singh Sisodia) in the Chair].

On that score, I have always found that onr friends opposite have followed a sort of ostrich-like policy. They are very informed people and if they make uninformed criticism then I should say that they have opted fur an ostrich-like policJ^

I was looking into the sPeech of *my* friend, Mr. Piloo Mody. H^.^^as apparently quoting from the figure\* given in the Budget at a Glance *iov* 1980-81'., National Rural Employment

Programme: In 1979-80, the provision was Rs. 350 crores; Mr. Venkataraman hag brought it down to Rs. 340 crores. You ca» always do it. So Mr. Venka-taraman is bad to the extent 6i Rs. 10 crores because he has reduced amount and he has taken away tlie Rural orientation. It is a bad criticism. Figures are below it and figures are above jU'Stify—and justify me conclusively—that it is a m.assively misplaced criticism. I will ju3t give some figures. Drought Prone Areas Programme: Charan Singh provided Rs. 44 crores; Mr. Venkataraman had provided Rs. 49 crores. Command Area •" Development Programme: Mr. Charan Singh provided Rs. 29 crores and Mr. Venkataraman has provided Rs-37 crores. Fisheries; This is also intended to benefit poorer sections of the people this Mr. Charan Singh provided Rs. Venkataraman 20 crores and Mr. has provided Rs. 34 crores. Under 'Other Programmes'—i.e. allied progi'ammes — Mr. Charan Singh provided Rs- 152 crores ^^d ^r. Venkataramaa has provided Rs. 205 crores. And uftder the general head uRder General Economic 'Total'—i e Services and Agriculture and Allied Services. of which National Rural Employment Programme is as important part, this is the only part picked up by my friend. Mr. Piloo Mody, and highlighted disproportionately critici«e Mr. Venkataraman and ^ay that the rural orientation o'f the pre-split Janata regime has been take» away. It has uot been taken away. It has been maintained, sustained and spread over further and the figures will brimg it out more clearly if you. Sir, allow me to quote a little more elaborately. Sir, if you look at the detaila of revenue disbursement, you will find that under thg head 'Agrfculture and allied services', in 1979-80 (i.e. dur--A^ing Charan Singh's regime) it was Rs. 871 crores, whereas thig year it is Re. 916 crores. We could go into the details of revenue disbiarseme»t. In respect of water and power development—that also has a dominant rural bias, rural orientation, rural objec-' live-it was Rs. 126 crores, but now! it is Rs. 148 crores. One could get it from page 7. For agriculture and allied services, Mr. Charan Singh provided Rs. 350 crores; my friend Mr. I Venkataraman hag brought it down 244 cirores. That is true. Now, again look at power and water development, under details of capital disbursement because at this moment power and water development are very important. Mr. Charan Singlr provided Rs. 312 crores; Mr. Venka-] taraman has provided Rs. 389 crores.! If you look at the State Plan and "O"-Plan provisions—that is also very revealing-under the head 'Economic Services', the last year's Budget pno-vided Rs. 564 crores; in this yeai-'s Budget it has been provided Rs. 612 crores. For water and power development it was Rs- 592 crores last I year; in this year's Budget the provision is Rs. 725 crores. So it will be' very interesting to look at the total figures also. In respect of the economic service, the Budget provision in 1979-80 was Rs- 6,309 crores. That was the Budget provision. It was revised later on and after revision it came down to Rs. 4,045 crores. when the Budget was presented, aji impressioH was gought to be created in the country that there was a huge investment. But when you go out of the realistic perspective galleries and play to the with inflated figures, you vviH have to fall back later. That ig why from Rs. 6,30© crores you had to fall back to Rs. 4,045 crores. What iMr. Venkatara-j man's Budget provides is very iate-! resting. It is Rs. 8,775 crores.

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I So, wherever We look, we find that I this year's Budget provision indicates; wot only a maintenance of but also I taking it further ahead, the intention I of the Congress Government evident I from the 20-point programme. The content of the 20-point progrimme I under different heads has been accepted even by the Janata Party. i If we sit across, if we analyse it step

[Frof. D. P. Chattopadhyaya] by step, they cannot deny it. There-'fore, whether you like the 20-poiBt programme or

whether you like the 20-poiBt programme or not—which ig a different proposition— this rural orientation has been maintained. The figures can make it very clear.

Now I would say that there is EO denying the fact that the causes—one might say incurable causes, but I think given co-operation all quarters they are manageable causes -of inflation, are there. Whether we can find a ciuie, I do not know. That is why I said that this ig the besc possible Budget under Ihe j traints obtaining in the country. Unconsfortunately Or fortunately, the economy of the coimtry i.s inseparable from the world economy. If you look at the inflation in 1973, and 1975, you find that it wag not inflation of our making Or choice. If there is some inflation this year, it will not be of MI-. Venkataraman's choice or making. Sometimes inflation is. in spite of us and not because of us. It is true that technically we have de-| linked the petrol price matters from the Budget. Rightly, the Government has done it because it depends upoji our management capacities. It falls L outside capacity of the policy management, the policy makers, thi;-Finance Minister ^nd as well. But from 1975the Governmeni 76, after the i two years 1973, 1974 anfl a part of 1975. you will find that the fury of inflatioi) in the world had abated Similarly, you will find that d'ling the period 1977-78 there wag not a significant oil price rise. There was a relative period of lull coupled with good monsoon. You did not have very big inflation spurt between 1977 and 1979. But I shall not mind if my Janata friends claim credit !for that, that that relative lull was because of them, that from within the world they controlled the world economy. 1 think this is a naive proposition. It is not bonie out by the facts. But the point is our attention should be policy-makers' pointed. The very attention particularly should

drawn to the fact that in the *Hut* two years, three years the petroleuia price hag already increased by neaFly 37 Per cent., and it is only the day-before-yesterday that tliree OPEC nations have raised their per baiTel price by two dollars plus. And this is not the last straw on the camel'a back, and the Indian camei is not strong. But OPEC countries otherwise friendly to India think that India, because of its economic gound-ness and industrial base, can take aay burden, which in fact we cannot.

Now, world Inflatton means it cornea right across the shores of the Indian seas. Therefore, I think that the im-,, port policy needs a very hard lookT" The Janata Government^ unfortunately, thought that the panacea for all the problems consists in making more and more imports, liberaUsatioii of imports. As a result of that, the self-reliance plank has been weakened, the capacity utilisation has gone down, the public sector companies have been relatively ignored and the import bill has gone up.

We left in 1377-78, for the first time, perhaps after 10 or 15 years, a surplus trade budget. But we do not claim exclusive credit for that. But now the deficit has come to the ex--tent of Rs. 2,200 crores or so. I will beseech the Finance Ministei- to give not only a hard but a liarder and closer look at the import policy. Import substitution is not being much talked of these days. So, this Janata Government legacy should be abandoned as early as and as decisively as possible.

I would al30 welcome the policy measures calculated to promote more production. In an economy of shortage, not only there reigns iiigh price, but there appears also other collateral abuses. I welcome the tax relief he has provided to the miUions of ths middleclass, whicji ig likely to re^ suit in more savings, and also in re». pect of the wealth-tax and other tax holiday. I also welcome even that conversion clause. AH these incen-

lives, I welcome, because their primary objective—I subscribe to it—is more production. More production is one Of the main plank wherein infla- i tion could ibe, to a significant extent, lought. That is why this is all right. But here I would add a word of caution. This is not so much a question of iwlicy-framing as of economic management because when you give incentives to the capital factor of production^ please see that capital is not pampered below the level of desired efficiency and it is not lulled into smugness and ineiSciency. After all, this is a very populous country and the intended mode Of piwductioji shouljj be labour-intensive. There-lore, any concession, however wellmeaning it might be, given to capital should be of a nature that the labour-intensive cSfection of the economy as a whole is not taken away. After all, this is primarily an agricultural economy and in the Gross National Product the contribution or the weightage of agriculture is much higher than that of industry. The economic management is not entirely in the hands of the ifinance Miniater-Mtsi colleagues, other MiiBsters, and other JZtepartments slioul'd coordliiate their executive activities in a manner that the incentives given are really reciprocated by the concerned people.

Budget (General)

As I said right at the beginning, when I was giving him my personal tribute... (Time bell 7ings). I wUl stop soon; To set up the Export-Import Bank it took seven years. If it had not been a fit ii-istance, I would not have cited it. But this is also symptomatic of our decisionmaking process in the country. Between conceiving a Pi"»iect and getting it clear- j ed by the Government through the concerned Ministry, through the DGTD, through the Planning Commission, through the Finance Ministry, often the cost goes up and the estimated cost lof production goes up by 50 per cent and sometimes by 100 per cent., if not more. This is an important aspect. I remember one person was at least almost impatient sutd. angry over it: Sanjay. I often hear\* him reacting almost impatiently and angrily. I entirely endorse this im. patience of the young man. For thai matter, gven old men should be impatient and angry. Between conceiving a project and executing it, one has to suffer a time-lag of five to seven years. Think of the wasteful expea-diture one has to incur between the setting up of the project and its ^ing into production. It is an old thing. I myself tried but I could not do much about it as a Minister. But even then good things should be attended to promptly and whatever measure of success we can achieve we should try for. I remember I handed over to the Piannrrtg. Commission the task of formulation pf an export-import policy. It took four years. My tenure was over but the policy was not formulated. I thought that since the Industry- and Commerce Ministries were so much preoccupied with day-to-day workings that I should give it to the Plarming Commission, to the professional people, to those who have got a theoretical thrust and d^'i^^-But it took four years and it did not reach me. And I laid down of 9ce- I say this is not a freakish case. Therefore, I will request my friend, Venka-taraman, to see how this red tape can be made green, if not gre<en, at least amber. Otherwise I do not know what v.?ill happen. All planning will go av,-ry because of this time-lag, this imintended time-lag. So the setting up of the Economic Committee for Co-ordination is welcome. But I do not know whether there is now an Export Committee of the Cabinet. It

1980-81—General

Discusaioa

was there. And if it has not been formed, I think, the Finance Minister and t'e Prime Minister should kindly see to it that if is formed because in the revised *context* of the economy, export is regaining its emphasis and it .''hould be institutionally backed. A Cabinet Committee' of Export is absolutely necessarj'. It was there at that time. I find no reason why it should not be now.

## [Prof. D. P. Chattopadhyaya]

Another important potnt I would like to make-and I said it earlier also-is about agricultural income tax. I do not mind Shri Venkatara-man giving concessions to the industrial corporate sector. But I do mind if the nation does '^ot get bade any return from the Green Revolaiou v.'hich'^as brought about in this country after spending a lot. 1 have a fear that among a section of the rural people money ig being accumulated and saved without being taxed for the good of the nation. You may raise the wealth tax limit, I do not mind. But the question ti'f agricul. turai taxation should be given a close look. Now a thin section of population like the salaried people and industrialists-not so big-T-are overtaxed. At the same time sonie rich people in the rural areas are left cut. It is not good for the nation as a whole. Therefore, agricultural income tax should be imposed on them and it should be rightly administered. This ig very important. Otherwise, these rural savings instead of being invested lor the purpose of national development will remain out of the banking system, and will strengthen the village money-lenders who will retain the strangle hold of the village economy. The result of the Green Revolution is not coming to the national coffer Or the banking system. Consequently, the holding capacity of the village traders increases and that pushes the prices up. This also weakens the banking system in the rural areas. The money that ig being saved and deposited in rural banks migrates to the town areas because in the village areas sufficient number of people is not there who can take loaa.s from the banks. Therefore that money, instead of being put to the optimum use in Tillages, migrates to the town areas. There should be a policy\* laying down the percentage of the rural savings which should be retained in the rural areas for investment purpocea.

One word about agricultural prices. In another connection I raised 't yesterday. Whether it is sugar price or whether it is cotton price or whether it is jute price^ whether it is the food or commercial crop price, i'f you take statistics fof 10 or 20 years, you will see a uniform feature-production high, price crashing, production low and therefore high price. TWs sort of fluctuation . has to be removed. x\gricultural Price Commission is a good institutional device for the purpose, but it is only notionally good, but functionally not adequate. There should be a sort of rational<sup>^</sup> economic nexus between the producev^evel price and the consumer-level price so that the agriculturists cannot say that they do not get their due. A.id. Sir. we the consumers cannot say that We are not getting at the right price. What will be the correct economic relation between the growers' -level prices, that is, the pricea that the actual growers must get and the prices the consumers pay shoul(j be fixed? I mean the actual growers. I - do not bere mean the traders who have the money powers, who are hoarding the crops and grains and handing the same over to the Food Corporation of India or the Cotton Corporation of India or the Jute Corporation Of India,

Sir, herein comes, besides the qu^s-. tion ol price indexation polity, the question of marketing policy. The Government is not givmg~ adequate money to the Jute Corporation or to the Cotton Corporation of India. The Food Corporation perhaps gets it. Therefore, you will find, Sir, that in one yeaj. there is glut in the market. This year, for example, there ]s \$0 much c>E glut that India 1\$ selling jute and there is nobody in the world to pick iT up. It also happens in respect of cotton. So, in the sector of marketing, Sir a lot has to be done. Since We are very much interested in the lot oi the rural poor, I think that marketing policy has to be taken care

of and the marketing problem has to be tackled. Sometimes we take satis-faction^that we have given the right price, but we ane not quite sure whether it does reach the intended person, the grower. In 'fact, the' middlemen and others take it and they have it. So. Sir, I will just say one thing. Please think of these aspects, namely the price indexation of the agi-icul-tural prices and also the marketing policy. Then, Sir, the other thing is the Food for Work Programme.

Budget (General)

VICE-CHAIRMAN (SHRI SAWAISINGH SISODIA): You have to conclude now.

PROF. D. P. CHATTOPADHYAYA: I will just finish in one minute. Sir. I will then sit down.

Thig Food for Work Programme. Sir, has been very much abused. It is, I will say, a cocial justice prog ramme and I won't say that it is strictly economic programme because it has not added to the pur chasing power of the man who given the food nor does it result in the creation of any capital assets which could be used later on for nationa] development purposes this not because of the Central Gov ernments policy, but because of the policy of implementation followed b\many State Governments which they do that with primarily political motives and considerations. Sometimes money is doled out; food is doled out; and this is done against fictitious names. It is shown that so much road has been constructed, but actually nothing has been done. Sometimes it is shown that so much of earth work haj been done; but, in fact, nothing has been done. So, Sir, .sometimes they say, jokingly say, but not incorrectly, that the Food-For-Work Programme, a well-meaning programme, has turned out to be a Foo'd-for-Fraud Programme. We have to see that this fraud is not played on the Central Government because from the Central pOoi the foodgrains are released and a vigilant eye should be there.

1980-81—General

Discussion

My last word is this.- The Food for Work Programme is indicative of the poverty of the rural millions. H these people's purchasing power cannot be increased, then, I am alraid, many of the good things rightly conceived and rightly formulated by the Finance Minister will remain perhaps a theoretical exercise. I say this because our grosg national product figure is good and the figures for food itemg particularly are very impressive. The aggregate picture is very impressive. But, if you take a segregated picture then you will see that the number of the people living below the poverty line is increasing. It is a paradox, Sir, that India is exporting food now. At the same time, India ij giving to its people food wh» cannot earn that food and who d» not have the purchasing power t» purchase that food, to have that food. So, we can take pride in the fact that India is having enough food and exporting food while the Soviet Union is to get it from outside, with a population one-third of India's and with a land mass which is six times larger than India's. It is a matter of pride, no doubt. But, at the same time, the purchasing power of the people should be looked into. The land reforms which have been initiated by the Congress regime and executed to a greater extent, should lee followed up more vigorously and if the purchasing power of the rural masses, rural millionis, is not increased. then the management of the economy or the other good things, very desired things that we are planning and proposing, would not yield the intended good results. I am sure, Sir, Mr. Venkataraman, being perceptive sympathetic as he is t» the causes of the rural people, will look into this aspect which is not often dramatised and, therefore, is often neglected. But this is the crwK of the planning and development process; in the country and for the implementation of this thing the Budget is a very important instrument. purchasing power of the

[Prof. D. P. Chattopadhyaya] rural millions hag to be increased. Otherwise. Sir, the social welfare plan like the Food for Work Programme will not be a substitute lor economic growth with social justice. Thank you.

श्रीलाडली मोहन निगम (मध्य प्रदेश) : उपसभाध्यक्ष जी, यह ग्राधिक मंसूबा जो इस साल के हमारे खजाना मंत्री जी ने पेंश किया है उसके बारे में मैं एक बात कह देना चाहता हू। पहले एक बात के लिए तो मैं मुबारकवाद द्गा कि प्राज तक जितने हिन्दुस्तान के वित्त मंत्री हुए उनमें कम से कम इसनी कार्बालयत नहीं थी कि वह कोई गोगियनपाशा बन सकें। सारंबजट का मैं विक्लेपण करूं इतना समय ग्राप नहीं दोगे । लेकिन जो द्वारोप में सरकार पर लगाना चाहता हं बहु यह है कि यह सारा बजट जनाभिमख नहीं है, जनता के लिए नहीं है, यह हिन्द्स्तान के बन्दः मुट्ठी भर लोगों के लिए ऐंग घौर विलासिता में डुबाहुग्रावजट है। यह बजट मानोपोली हाउसेज का है, मल्टी-नेशनल्स का है क्रोर बड़े उद्योग धन्धों का है क्रीर- मुलतान सिह जी मेरी राय से मुत्तफिक होंगे--बहुत बड़े किसानों के लिए भी इस में बहुत कुछ राहत है। द्याप एक तरफ तो दिखाने के लिए कहते हैं कि हम ने 5 परसेंट की छट दी है एक्साइज इव्हा की, लेकिन दूसरी तरफ स्पेशल इयुटी दुसरे तरीके से बढा देते हैं। जहां 5 परसेंट पहले थी. वहां 5 परसेंट बढ़ा कर 10 परसेंट कर दी। इसका भार किस पर पड़ेगा। कितना घाटा होगा इस बजट में यह तो ग्राप ग्रपने गिरहवान में मंह डाल कर देख सकते हैं। श्राप खुश हो सकते हैं कि 1417 करोड़ रुपए का घाटा है। फल्लिइजरपेट्रोल और दूसरी चीजें श्रीरविदेश से जो रुपया लोगे सब जोड़ दो तो मेरे ग्रन्थाज से और बाकी लोगों के भी ग्रन्दाज से यह घाटा ५ हजार करोड़ रुपए से अध्यर का होगा। जो मोटो-मोटी किताबें श्रापने दी हैं उनमें श्राधिक सर्वेक्षण ग्राप ने किया है कि प्रति व्यक्ति करीब करीब इस वक्त हिन्दुस्तान में आमदनी 712 रुपया है। तात्पर्य यह है कि जो कुछ बजट टैक्स ग्रीर घाटे होगा मेरे हिन्द्स्तान में एक ग्रादमी के पीछे 54 रुपए का भारबदेगा। 712 में से 54 रुपए घटा दी। मैं यह समझताह कि इस तरह क्राज हिन्दुस्तान में की घाटमी घामदनी रुपए हो जायगी। मतलब बिलकुल साफ है मीजदा जो लोग हिन्द्स्तान में गरीबी की रेखा के नीचे जी रहे हैं उनके परिवार को ग्रीर गरीबी की रेखा के नीचे ले जाने के लिए श्राप कोणिश कर रहे हैं। यह मैं नहीं कह रहा हं, प्लांनिम कमीशन के भ्तपूर्वसदस्य, बड़े ग्रोह देदार श्री राज कृष्ण ने कहा है कि हिन्दुस्तान के 9 राज्यों में करीब-करीब 83 फीसदी लोग गरीबी की रेखा के नीचे रहते हैं। शायद वित्त मंत्री जी को यह भी वाजेह होगा कि बदक्सिमती से हिन्दुस्तान ऐसा देश हैं जहां 15 फीसदी लोग 11 हपए महीने पर गुजारा करते हैं। अब आप मुझ को बताइये कि बजट किस का है। भ्रापने कहा कि दुथपेस्ट पर इयटी कम कर दिया। द्यपेस्ट कौन इस्तेमाल करता है ? फिर यह मत भूलना कि ट्यपेस्ट मल्टी-नेशनल कम्पनियां बनाती है, बहुदेशीय कम्पनियां बना रही हैं। उनके मुकाबले कुछ भारतीय कम्पनियां भी बनाती हैं, मान लेता हं। मगर जब आप कम करते हो तो किस को ज्यादा फायदा मिलेगा । उनके मकावले ता वे देशी और छोटी कम्पनिया खडी नहीं हो सकती। अगर मैं आप की जगह वजीरे-खजाना होतातो ऐसान करता। आर क्यों नहः कहते कि जो दृथपेस्ट भारतीय कम्पनिया बनायेंगी उनको ग्रीर भी छट मिलेगी ग्रीर उससे जो भी कभी होगी वह बड़ी विदेशी कम्पनियों पर लगायी जाएगी । आपको ताज्जुब होगा कि दो लाख, दस लाख पूजी, लगाए हुए विदेशी क<sup>म्</sup>पनियों ने हजारों कराड़ों का मुनाफा कमाया है । बह-उद्देशीय क पनियां इस देश से लाखों करोड़ों रुपया बाहर ले जा रही हैं, इस वास्ते मैंने मल्डी-नेशनल कम्पनियों की बात कही है। माम ग्रादमी के इस्तेमाल की चीजों, जैसे

नाचिस है जिसका 60 प्रतिशत सिर्फ विमको हमारे देश में बनाती है, उसके ऊपर उससे दुगुना ऐक्साइज पहली सरकार ने कर दिया था। जो गृह उद्योग हैं, जो इंडस्ट्रीज हैं, छोटे कारखानों में जो बनती थी उनके ऊपर ग्राधी करदी। जो ग्राप कह रहे हैं कि हमने सब को बराबर छूट दी है, इससे किसको फायदा मिलेगा? इस वास्ते मैंने कहा कि यह बजट मल्टीनेशनल्स का है।

ग्रभो चट्टोपाध्याय जी भाषण दे रहे थे। ग्रब तक जो हुन्ना है उससे यह तजुर्बे में ग्रायेगा कि दोनों ही सरकारें जिन्होंने हिन्दुस्तान की धरती पर राज किया दै ग्राघे सच की सरकारें रही हैं। ग्राधा ही सच बोलती हैं। मैं जानता हं कि ग्राधा सच क्ष्र्य से भी खतरनाक होता है। इस बास्ते मुझे इस बात को तस्लीम करने में कोई तकलीफ नहीं। उसका सारा श्रेय ग्रापकी सरकार को मिलेगा। यह बात सही है कि उस बक्त जो कुछ हमको बारिण का फायदा मिला उसके चलते हिन्दुस्तान में इतने बड़े सुखे के बावजूद भी हम इस हैंसियत में हैं कि इस हिन्दुस्तान के लोगों को भुखे मरने से रोक सकें।

दूसरी चीज मैं यह कहना चाहता हूं कि हमारा देश ऋषि प्रधान देश है, इसमें दो रायें नहीं हैं। पहले डीजल, खाद, बीज ग्रादि पर 50 फीसदी शहला कम किया गया, सब किसानों को इससे राहत मिली थी और माज आपने उसको खत्म कर दिया है। इससे किसका कायदा होगा ? भ्राप उम्मीद करते हैं कि हिन्दुस्तान का किसान खुशहाल होगा ? इस से भी बड़ी बेईमानी, या वदतमीजी क्या हो सकती है कि हिन्दुस्तान में गन्ने का दाम घटता जाए ग्रीर शक्कर का दाम बद्धता जाए । हिन्दुस्तान में जितना मुनाफा सूती कारखाने वालों ने कमाया, मैंने कई दिन 👃 पहले भ्रपने भाषण में कहा था कि हिन्दुस्तान में मूती कारखाने वालों ने 40 फीसदी से 180 फीसदी का मुनाफा कमाया है, और कमा रहे हैं। 3.41 रु० गण की बनी हुई छींट बाजार में 8.24 पैसे की बिकती हैं। क्या द्याप में उन पर टैक्स लगाने की हिम्मत है ? श्रय्यासी श्रौर विलासिता को रोकने में भ्राप कामयाव नहीं हुए हैं । श्राजादी के बाद हिन्दुस्तान में 4 हजार करोड़ मीटर कपड़ा महंगे और फेशनेबल किस्म का बनने लगा है। भ्राप कहते हैं घाटा होगा। भ्राप 5 ह० या 7 रुपये से ज्यादा की लागत का जो भी कपड़ा हिन्दुस्तान में बने, उस के ऊपर उतनी ही ड्यूटी लगाइये । ग्रगर हिन्दुस्तान में मान लीजिए सौ करोड़ रुपये का कपड़ा बन रहा हो तो जो श्रय्यासी श्रौर विलासिता वाले या पैसे वाले इस्तेमाल करते हैं ग्राप उस पर 10 ६० या 5 रुपये मीटर के हिसाब से टैक्स लगा दें, आपके खजाने में आप से आप पैसा भ्रायेगा । तो मैं यह कहना चाहता हूं कि कभी तो श्राप ऐसी व्यवस्था वनाइये । देखने में तो यह ग्रन्छी है, सब के सब लोगों ने इसे देखकर ताली बजाई, लेकिन मैं जानता हुं कि पहले मध्यम वर्ग के दिलों को श्रापने गृदगुदाया है लेकिन तीन चार महीने बाद जब यह महंगाई को राक्षस बढ़ेगा, मुद्रा-स्फीति इस देण में बढ़ेगी, उसके बाद दामों की क्या हालत होगी, मैं नहीं कह सकता। इसलिए मैं भ्रापसे इतना ही निवेदन करना चाहता हूं कि उसका भ्रन्दाजा जब मैं लगाने बैठता हूं तो मुझे वह बड़ा भयावह लगता है । मिसाल के लिए गन्ना श्रापका सस्ता ग्रौर शक्कर महंगी। कपास सस्ता ग्रीर कपड़ा महंगा । जुट सस्ता ग्रौर बोरी महंगी । 2.70 रू० की बोरी 5.80 रू में विकती है। हिन्दुस्तान के जूट वाले, जिनके पास हिन्स्दुस्तान के कुछ ग्रखवारात भी हैं, जो जूट प्रेस कहलाते हैं, भ्राप ताज्जुब करेंग वह जूट इन्डस्ट्री जिसके ऊपर कुल सौ करोड रुपया लगा है, जिसकी लागत पूंजी ग्रगर ग्राज जोड़ी जाए, तो सारे करीब करीब सौ करोड़ जूट उद्योग में रुपया लगा है।

मुझे शर्म आती है कि इस व्यवस्था के चलते ढाई सौकरोड़रूपए सालका

# [श्री लाडली मोहन निगम]

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मुनाफा जुट उद्योगपति कमाते है, श्रीर उन जुट उद्योगपतियों में भी सिर्फ 6 खानदान हैं जो इमाते हैं। नाम मैं लेना नहीं चाहता, श्राप सब जानते है। उनके साथ क्या रिष्टता है झापका और श्रापको नेता का, यह भी ब्राप जानते हैं। मैं एक मोटी सी मिसाल श्रापको देता हूं। आपने कहा कि जनता की सुविधा के लिये ठंडा पीने वालं एएरिटिड बाटर के **उ**तपर मामान्य रूप से हमने टैक्स लगा दिसा है। ग्रापने किया तो अच्छा है लेकिन ईमानदारी से इसका पालन होना चाहिये में ग्रापको बताना चाहता हूं कि दो तरीके का एयरिटिङ वाटर होता है। एक में कॅफीन कांटेंट होता है आर इसरे में कॅफीन कार्टेट नहीं होता है। जिसमें कंफीन कार्टेट है उस पर 60 परसंट की इयुटी पहले भी लगी और जो नान कैंफीन कांटेंट है उसके अपर 30 परसेंट की डयटी नगी थी अरि आज अपने उसको 40 परमेट कर दिया। मतलब बिल्कुल साफ है। जो कैम्पा कोला बनाने वाला है उसको 20 परसेंट छुट दे दी और जो गरीब है छोटे कारखाने वाला है उस पर 40 परसेट इयुटी लगा दी यानी उसके ऊपर 10 परसेट इयुटी बढ़ा दी । आप जानिये किम को फायदा होगा। हो मकता है आज आपके दल के कुछ लोग ऐसे चनकर ब्रह्म हों जो इन बड़ी-बड़ी कम्पनियों के मालिक हों। मुझे तो ऐसा लगता है कि बजट खजाना मंत्री ने नहीं बल्कि किसी और ने बनाया है। मुझे और कुछ कहने की जरूरत नहीं है अपवे ही लोगों का कहना है कि यह हिन्दुस्तान का पहला बजट है, आजादी के बाद का देश का सबसे श्रच्छा बजट है। मैं इतना ही कहना चाहता हुं कि सच वह है जो सर पर चढ़ कर बोले । जब भ्राप यह कहते हैं कि यह वजट देश का सबसे अच्छा बजट है तो अब तक श्चरजादी के बाद 31 श्रार्थिक मनसूबे पेश किये जा चुके हैं। उनमें से 29 मनसूबे आपकी कांग्रेस पार्टी ने पेण किये। इसका यह साफ मतलब हुआ कि वे सब के सब 29 मनसूबे निकम्मे और गर्दे थे। यह मैं नहीं कह रहा हूं, आपके आदमी कहते हैं। इस वास्ते मैं कुछ कहने के पहले सोच लेता है।

श्रापको पता है डीजल पर दाम बड़े। श्रनाज का भी जिक्र किया गया। जिन सवालों का जिक्र किया गया उन्हीं को मैं बताना चाहना हूं।

उपसभाष्यक (श्री सदाई सिह सिसोदिया): श्रापको यह जानकारी है कि आपकी पार्टी के हिस्से में जितना समय था उसका काफी उपयोग हो चुका है। श्रापकी पार्टी के हिस्से का बहुत थीड़ा समय बाकी है।

श्री लाडनी मोहन निगम: खैर ग्रापकी मर्जी है।

उपसमाध्यक्ष (श्री सवाई िहह सिसोदिया): मेरी मर्जी का सवाल नहीं है। जो श्रापकी पार्टी का हिस्सा है उसका काफी उपयोग हो चुका है।

श्री लाडली मोहन निगम: समीक्षा में यह लिखा है ....

"The biggest achievement of the previous Government was that we did not import a single grain of food. The chart shows the imports during the years 1974. 1975 and 1976 . . .

1974 में 4.83 मिलियन टन. 1975 में 7.85 मिलियन टन ग्रांर 1976 में 6.44 मिलियन टन । इतना ग्रापने इम्पोर्ट किया तीन साल में कि हम ग्राज मोहताज नहीं है। यह सब हरियाणा ग्रीर पंजाब के किसानों की देन हैं। जब उनको फर्टील।इजर ग्रीर डीजल सस्ता मिलता था, जब उनको जीवन उपयोगी चीजें सस्ती मिलबी थीं उस वक्त उन्होंने धरती से सोना उगल कर ग्राज हम को इस हालत में बड़ा

कर दिया हैं। जिस तरीके से प्रापने डीजल वगैरह पर श्रोर खेती में काम ग्राने वाली चीजों पर दाम बडाये हैं मझे कहना पड़ेगा कि कहीं न कहीं कोई बहुत बड़ी साजिश है, जो ग्राप हिन्दुस्तान के पेट को पूनः श्रमेरिका श्रीर दुसरे देशों के सामने गिरवी रखना चाहते हैं. वरना क्या वजह हैं कि खेती इस देश में न बंड, श्रीर उद्योगपति बढ़े । उदयोग के चलते जहां ग्ररबों रूपया लगता है वहां आप कोई बहुत बड़े रोजगार नहीं दे पाये । क्राजादी के बाद देश में सिर्फ 20 लाख नयं रोजगार खोले हैं, उद्योगों के जरिए। हमारे देश में खेती कितने लोगों को रोजगार देती है, इस पर हमें ध्यान देना है। इस वास्ते मेरा निवंदन यह है कि यह जो बजट बनाया गया है, इसमें छोटे किसानों ग्रीर छोटे ग्रादमी की तरफ उचित ध्यान नहीं दिया गया है। इसमें चन्द लोगों की तरफ ही ध्यान दिया गया है। मैं समझता हूं कि ग्राम ग्रादमी की ग्राशाग्रों के विपरीत यह बजट है। एक तरफ तो ढुलाई व सवारी के मामले में रेल बजट में 204 करोड़ रुपयों टैक्स लगा रहे हैं, लेकिन देखने केवल 15 करोड़ रुपयों के टैक्सों में छट दिखाई हैं। मैं ग्रापके सामने दो उदाहरण देना चाहता हं। ग्रनाज के मामले में हरियाणा ने, जहां से श्री सुलतान सिंह ग्राते हैं, पिछले सात वर्षों में गल्ले के उत्पादन में 4 लाख 65 हजार टन से 12 लाख 41 हजार टन की वृद्धि कर ली है। उसी प्रकार से छोटें से राज्य पंजाब में सात वर्षों में 9 लाख 55 हजार टन से बढ़कर 30 लाख 75 हजार टन की विद्व कर ली है।

श्रो सलतान जिह (हरियाणा) : जनता पार्टी के राज में तो उलटा हो गया था।

श्रो लाडनी मोहन निगम : इतनी अधिक की बढ़ोत्तरी इन राज्यों में हुई है। गल्ले के मामले में ये राज्य अन्नदाता हो गये। इसी 500 RS-5.

तरह से रेलवं के मामले को भी ग्राप देख लीजिये । रेल मंत्री जी ने बोबी वाहवाही लुटने का प्रयास किया है। इसमें मैं श्री मधु दण्डवते जी को भी में शामिल करता हं, मौजदा मंत्री जी को शामिल करता है। यह सिलसिला श्री ललित नारायण मिश्र जी के समय से शुरू हुआ। इस देश में सुपर फास्ट ट्रेन्स शुरू की गई। हिन्दुस्तान में 1100 सवारी गाड़ियां चलती हैं उनमें 30 प्रतिशत लोग मुफ्त में चलते हैं। इसमें हम लोग भी ग्रा जाते हैं। इससे कितना नक्सान होता है, इस संबंध में मैं एक वाक्य पढ़ देना चाहता हं। इससे आपको सारी स्थिति At page 18 of Economic Survey Report, 1979-80, a very revealing thing has been gaid. I quote (—).

1980-81—General

iscussion

"Railway performance has bee» unsatisfactory for the past few years. In terms of tonnes originating of revenue earning traffic, the railways reached a peak of 212.6 million tonnes in 1976-77 and performance has teen declining since then. In 1977-78, there was a marginal decline to 210.8 million tonnea followed by a sharp decline to 199.6 million tonnes in 1978-79. performance during 1979-80 shows a further decline of 3.3 per cent compared with the previous year. . . . The additional demands placed on road transportation led lo an accentuation of the shortage of diesel during the year. Given the high and rising price of petroleum products, this represented am avoidable additional cost to the economy.

The most important thing that I want to put before you. Sir, is the proportion of the passenger trains kilometre total train kilometre which rose from 51.5 per cent in 1975-76 to 54.2 per cent in 1978-79. It ig esti- mated that running single a pre-^mpts superfast train the line capacity of three goods trains.

[श्री लाडली मोहन तिगम] किस के लिए ग्रीर किनके लिए ग्राप ये सुपर फास्ट ट्रेन्स चला रहे हैं?

उपसभाष्यक्ष श्री सवाई सिंह सिसोदिया): ग्राप जनरल बजट के सम्बन्ध में बोलिये। समय बहुत कम है। ग्रापकी पार्टी के लिए जो समय निर्घारित था उससे ग्राप ज्यादा बोल चुके हैं।

श्री लाइली मोहन निगम : श्रीमन्, ये बातें जनरल वजट से ही सम्बन्धित मेरे कहने का मतलब यह हैं कि चन्द ब्रादमियों की ब्रय्यासी ब्रौर ब्राराम के लिए ऐसी सूपर फास्ट गाड़ियाँ चलाई जा रही हैं। माल ढोने और माल ले जाने के लिए गाडियों में विद्धिकरने की तरफ ध्यान नहीं दिया जारहाहै। इसी वजह से देश में कृत्रिम कमी पैदा हो रही है। सूपर फास्ट गाडियों की वजह से चीजों के क्रावागमन में और माल छीने में कितना श्रसर पड़ेगा, इसकी तरफ ध्यान नहीं दिया जा रहा है। वर्तमान बजट से हमारे देश में 30 फीसदी की मद्रास्फीति में जो वृद्धि होगी, उसका इलाज क्या होगा, इसकी तरफ वजट में कोई इशारा नहीं किया गया है। मैं जानना चाहता है कि क्या इस 30 फीसदी मद्रा-स्फीति की विद्धि को सरकार ने तसलीम किया हैं ? ग्रादमी की दिन व दिन खरीदने की शक्ति घटती जा रही हैं। मान लीजिये कि उत्पादन कर लिया जाय, लेकिन इन्सान की उसे खरीदने की ताकत घटती चली गई तो क्या होगा ? हिन्दुस्तान में एक गम्भीर ग्राधिक सैंकट है। इस वास्ते मैं आपसे कहना चाहता ह कि इन सारे टैक्सेज के बारे में, सारे करों के बारे में कोई व्यापक नीति पुनः निर्धारित कीजिये। यह होना **भाव श्यक** है। जो मौजूदा स्ट्रक्चर या ढांचा है हो आह से दो सी, ढाई सी साल पहले

Discussion ' वाला सामन्ती तरीका है टैक्स लगाने का ग्रीर बजट बनाने का, इसको बदलने की कोशिश कीजिये । इस टैक्स स्ट्रक्चर से बिल्कुल साफ हैं कि कारपोरेट सेक्टर को श्रापने छहा नहीं है, बड़े ग्रादिमयों को छुत्रा नहीं है। मैं श्रापसे कहना चाहता हं कि अय्यासी और िलासिता की जितनी भी चीजे हैं उन पर जितना टैक्स चाहे बढ़ा दीजिये. उनके इस्तेमाल पर चाहे कोई शर्त लगा दें, ग्राप लगाइधे टैंब्स उस पर, 20 रूपया टैक्स लगा दीजिये और जो एयर कन्डीशन इस्तेमाल करता है, तो मझे कोई स्रापत्ति नहीं होगी। इस तरीके से हिन्द्स्तान में श्रय्यासी ग्रौर विलासिता की चीजें भी वनना कम होंगी ग्रौर इस पैंसे को ग्रन्थ जैसे कपड़ा व जीवन उपयोगी ग्रीर जैसा मैंने कहा दूसरी चीजों में, जो जनता इस्तेमाल करती है, राहत देने की कोशिश करें। मेरे पास समक नहीं है। मैं बहुत कुछ कहना चाहता था लेकिन क्योंकि समय कम है इसलिए, मैं एक बात कह कर अपनी बात समाप्त कर द्ंगा। उपसभाध्यक्ष महोदय, इस वजट में नान-डेवलपमेंट, गैर उत्पादक क्षेत्र में जो द्याप खर्च करने जा रहे हे इस On the development side, according to the Explanatory Memorandum, pages 126 and 127 it is Rs. 567\* crores including aid to States by the Centre which comes to Ra. 226T crores.

कितना खर्च करने जा रहे हैं।
On the non-development side, it is going to be Rs. 5368 crores. Then on the head 'General Services'.
जिसकी कोई परिभाषा आपने नहीं दो है बजट में और न आप देंगे कभी। यह होता है हम भी जानते हूँ क्योंकि आप लोगों में भी और बहुत से लोग आजादी से पहले राजनैतिक जासूसी के शिकार रहे हैं। यह सर्विस क्या होती है यह सब जानते हैं।

On the head 'General Service\*' which is not defined, the expenditure is going to be *Bg.* 1234 crorea.

Budget (General)

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जाये ।

में, एक बात ग्रीर जो ग्रापसे कहना चाहता हं वह यह है कि पुलिस के ऊपर, जो ग्रापने इसमें रखा है कि 916 करोड रुपये खर्च होंगे। 1977 में 696 करोड रूपया था। इसका मतलब हैं कि 220 करोड रुपया पुलिस व्यवस्था के ऊपर ज्यादा खर्च हो रहे हैं। मतलब कि 30 प्रतिशत ग्रीर पुलिस व्यवस्था पर आप खर्च कर रहे हैं। वागपत को लीजये और इसी तरह की कितनी कितनो घटनाएं घट जाती है, यह श्राप जानते हैं। इस वास्ते मेरा यह कहना है कि इसका ग्रापको पुरा विचार करना पडेगा। अपगर देश को नयाकुछ आरपको देनाहै तो इसके लिये परम्परावादी तरीकों को छोडकर नये तरीके से, जो कि जनअभिमुखी हों; खेती श्रभिमुखी हों; श्रीर जो देश में ज्यादा से ज्यादा रोजगार पैदा कर सकें, जिससे हिन्दुस्तान में मल्ट्येनेशनल्स श्रीर बडी कम्पनियों को खत्म किया जा सके, श्रौर उनका मुनाफा जन-उत्थान में लगाया जा सके, इस तरीके की नीति श्रापको श्रपनानी होगी । श्रगर ब्राप ऐसा करेंगे तो मुझ जैसे लोग ब्रापके बजट का समर्थंन करेंगे वरना में कहंगा ग्रौर मेरे जैसे ग्रौर लोग भी खडे होकर कहेंगे कि चेहरे तो बदल गये हैं, लेकिन तुम में ग्रौर बिड़ला में कोई फर्क नहीं है। वह देश के तन को लुटता है तुम देश के मन को लुटते हो, और तन और मन को लुटने वाले को यह मुल्क कभी माफ नहीं करेगा।

1980-81—General

Discussion

SHRI BIPINPAL DAS (Assam): Sir, I would say, in a sense, this is a new type of Budget, not an ideal one. certainly, but a realistic Budget ia the new direction. It is a skilful exercise on the part of the Finance Minister. There is no doubt about it. He has consciously taken certain risks with courage and optimism. I do not call this a socialistic Budget at all. I expected, naturally, that there would be some real thrust in direction of socialism. land reforms, example, equality, parity between the prices of indus and agricultural products, increasing employment potential so on. But one single Budget cannot solve all the problems. The prob lems we are facing today are stupejjdous. The budget can only set a pattern for the future and give a new direction to the economy. The Janata Government had left the economy in shambles. The task before the Finance Minister was indeed herculean. Considering all aspects of the situation, I think, the hon. Finance Minister has done a really good job.

But whatever intrinsic strength and resilience remaing in the economy, because of the past achievement of the Congress regime, can yet be harnessed to achieve a faster rate of growth. No new investment will be needed in the coming years, till 19S2-83, to meet the targets of production of things like cotton textiles, rubber, mining machinery, passenger cars and railway wagons. As for power plants, BHEL alone can produce almost all the generation equipment

Heeded at the rate of 4,500 MW a year with a proper scheduling of orders and installation of balancing equipment. FuUer utilisation of the idle capacity in critical sectors like power, coal, transport, steel, cement and non-ferroUs metals is reaUy the crux of the whole matter.

Sir, I must say, the sectoral allocations for Plan investments are quite judicious and wellbalanced. The thrust in agriculture and irrigation has been maintained. Adequate provision has been made for new projects in steel, fertiliser, petroleum and petro-chemical industries. But—this is a big but—the size of the annual Plan for 1980-81 should perhaps have been raised a little more. by at least another Rs. 1.000 crores in order to neutralise the effects of inflation and to maintain the tempo of economic development. Allocations in and priority treatment given to agricultural and irrigation, infrastructures like power, coal, transport, steel, cement, aluminium, fertiliser and other non-ferrous metals, machineries, sugar, cotton textiles, oilseeds and edible oil, and also to export promotion, are all in the right direction. I must particularly congratulate the hon. Finance Minister for certain innovationg and proposals like the Export-Import Bank, the National Rural Employment Programme, the Rural Housing-cum-Hut the Construction Scheme, Handloom Development Corporation and the Institute of Handloom Technology to be established in North-East India. I congratulate him also for the special attention he has paid to the Scheduled Castes, the Scheduled Tribes and other weaker sections.

- Some people have said that the tax concessions offered by the Finance Minister will benefit only the taxpayers, whereas, the vast masses in this country are not tax-payer at all. Most of them are below the poverty line. It is not a very correct criticism of the Budget. At least, the

former Finance Minister of the Janata Government should not have said so. They should realise the fact that these tax concessions would ultimately reach every consumer, the poorest also, provided we succeed the

Discussion

1980-81—General

Government succeeds, in controlling the prices and ultimately lowering the prices. But I agree; it will not help in reducing the number of those

who are below the poverty line. 1 am not discussing the tax 5 P.M. proposals because they are to be discussed when the Finance Bill comes before the House. But one thing I moat gay that the corporate sector and the private sector have been given a liberal treatment, perhaps in the hope of augmenting production and growth. It is a challenge to that sector. The lenient treatment given to that sector must be acknowledged and they must prove worthy of the expectation of the Finance Minister. But I have my doubts about it.

With considerable effort and skill, the Finance Minister has kept the deficit at Rs. 1417 crores, i think our economy will be able to stand this much of deficits financing. Thig is my hope, but the question is, will the Finance Minister succeed in maintaining the deficit at this level? PasI experiences do not hold out much hope and faith, This is, therefore, a challenge to the Government and the Finance Minister.

The main and the burning problems are before us. They are the demon of inflation and the high price level in the country. These are the main problems. I call this Budget to be the realistic Budget, because this Budget is trying to tackle this problem. But the basic test of the Budget will be how far it succeeds in fighting inflation and in bringing down th« prices at least of the articles of mass consumption to a reasonable level. I do not mind if the well-to-do pay more for the luxury items. Let theffl pay. It will help in restoring ba-

lance to the economy as a whole. But xaass consumption goodg must be made available at reasonable prices within the reach of the common man. The Finance Minister has made some efforts in this direction within the limits o±' the budgetary exercise. But he must also streamline the administrative machinery to see that his proposals yield desired results. There are some limits of budgetary exercise. Beyond that we cannot go and for that we will have to go to the Planning Commission. But you must produce some results by streamlining the

Incentives have been offered fo^ savings to all levels of the society. But the result will be tested only by the extent the Finance Minister succeeds in the matter of resource aobilisation. That will be your test.

adminiatrataive machinery.

Another matter which calls for more attention and effective action is in the field of foreign debt. As on March 31, 1980, it stands at Rs. 11,178.42 crores. It is quite high for a country having a budget of around 30,000 crores or so.

I will now concentrate on inflation. Inflationary pressures are indeed severe and the prospects are not at all bright. A close look is called for at the monetary and credit policies of the Government. But even corrected policies will not succeed in fighting inflation if the deficit is not kept Hnder control. Monetary and credit policies become ineffective if Grov-ernment expenditure goes on mounting in the absence of adequate growth of revenues.

The rise in non-developmental expenditure which leads to inflation is alarming. It was Rs. 7359 crores in 1975-76, Rs. 8062 crores in 1976-77, Rs. 8531 crores in 1977-78, Rs. 9952 crores in 1978-79 and then it went up to Rs. 10 412 crores in 1979-80. This is a very serious matter, but suce-^sive Governments have failed to tighten the belt. It is mounting every year without corresponding contribution to the growth of the economy

Discussion. It must be brought under control if infiatioii ig to be fought.

1980-81—General

Failure of the public sector in recent years, particularly after the Janata came to power, to generate any surplus, rather incltring losses all around, is another serious factor affecting our economy today. This is mainly because of bad management or mis-management of the public sector undertakings. I make a fUS-gestion lor the consideration of the Finance Minister. Each public sector undertaking should be so well managed that it produces surpluses and profits and a portion of that pro fit should be earmarked to a funv. called "Working Capital Fimd" anu these undertakings must be given tax incentives or concessions for that purpose so that the public sector industries can stand on their own feet.

Another disturbing factor is that the State revenues are showing a decling trend. These is an unrestricted expansion of money supply— one of the main causes of inflation. This is a very dangerous trend. There has been a pervasive cost-pusli effect, effecting the entire economy. The hike in the prices of imported petroleum productg is a serious factor. This cannot be helped. Thia can be fought only by increasing our own production and restricting consumption.

To control inflation, I may suggest some very minimal measures-like regulation of prices of key items and their distribution through the public distribution system, aggregate demand management, keep the growth of money incomes within limits determined by real productivity growth, strict control of money gupnl". keeping deficit within viable and tolerable limits, to control and cut down unproductive expenditure, to ban the import of luxury items and control the production of luxury goods within the country, and above all, to augment production, particularly in the field of massconsumption goods.

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Subsidies have also played a havoc They have played a very harmful role in the economy. It has led to an abnormal rise in Government expenditure. From Rs. 470 croi^s, the subsidies on various counts went up to Rs. 947 crores in 1976-77, Rs. 1,287 crores in 1977-78 and Rs. 1831 crores in 1979-80. This, in my opinion, is a very unhealthy trend.

The growth of foreign exchange reservfeg was halted during the last three years and declined by Rs. 56 crores in 1979-80. According to the Economic Survey which has been circulated, this declining trend will continue. Already there is a decline of Rs. 273 crores in the first two months of 1980-81. This is a negative and discouraging trend which must be arrested. According to the Governor of the Reserve Bank himself, the trade gap will wdden from Rs. 2236 crores in 1979-80 to Rs. 3500 crores or even more in 1980-81. This has to be reversed, if mot, at least narrowed down, if the economy is to be restored to the pre-Janata health.

The GNp declined by 3 per cent in 1979-80. You have now fixed the growth rate at 5 per cent in 1980-81. Therefore, the actual growth will be j only by 2 per cent. It has already i some down by 3 per cent. You are raising it to 5 per cent. So you wUl! raise it only by 2 per cent which is not a verj' encouraging prospect at all.

The growth rate of private sector is slackening. Leading industrial enterprises are charcterised by high-cost, high-profit and low-output. This is what Is happening in the country today. The shortages are due to gross ander-utilisation of capacity-. This tmder-utilisation ig sometimeg deliberate in order to raise the prices of industrial goods and they make more profits out of it. Even the yield \*Pom the corporate tax during 1979-90 i| likely to be lower by R». 150

crores, unlike normal yields. Why is it so? The revenue from the corporate tax this year is estimated ^^ Rs. 1515 crores which is lower than the original estimates of 1979-89. Again, I would ask why it should be so? The expected fall in the yield from Excise duty of last year is Rs. 175 crores. This is partly due to the concessions to coal and fertilizers and mainly due to decline in output of textiles, steel, cement etc. This has to be taken note of for future guidance.

of nearly Rs. 2,000 Sir, the gap crores between the Budgetary for the State-owned underta vision kings and the Plan outlay for them is proposed to be financed from in ternal resources, I think it is a good idea and not a bad one, but you have to take care. What may happen is that it may lead to further increase in the prices of steel, coal, power^ nonferrous metals and air services. There fore I suggest that preventive mea sures should be taken right from now. What you have proposed is correct— I do not say that it is not correctbut these are the dangers that may come up and you should take mea sures right from now.

Despite the Excise duty concessions in respect of nearly seventy articles of common consumption it is unlikely that soap, sewing machines, controlled cloth, cycles etc. will be significantly cheaper^ because the increasing costs of labour, transport fuel and essential raw materials will more than offset the benefits given at the expense of the Exchequer.

For all these reasons the current inflation—one may call it stagflation— may turn into recession by the end of the year. Therefore, I warn the Finance Minister against these trends so that he may initiate corrective . measures right from now.

Then I come to one very important theing to which I amafraid the Finance

Minister did not pay much atten-tiOH or any attention at all, and tliat is about the regional imbalance. I would like to draw attention to this extremely serious aspect of our economic ~ situation, particularly from the point of view of development. Unfortunately, the Budget has not paid any attention to this. problem of regional imbalance in economic development of our country is causing social tensions in several parts country and social tensions lead to political tensions. The regional disparities have been widening every year. They have become wider and wider every year. When this problem leads to social tensions and political tensions, one has to take a fr serious note of that.

Sir, I do not mind if some regions ahead. If and Harvana prosper go Punjab advance or if Maharash tra advances or Tamil Nadu goes for glad. ward, We we are are glad that thev have made progress. policies why should the Government that certain regions he such deliberately allowed to make progress at the cost of some other regions? I make this charge against the Gov ernment—not against this Govern ment but all the Governments the in Why last thirty years. should the Government policies be such that certain regions delibeare make rately alowed to progress at the cost of other regions and why don't you try and make efforts to take the other regions also forward? Why should you leave them far behind? I have no grudge aganist the prosperous States. but why should the other States be also not made prosperous? Why should the Government policies stand in the i way?

Sir, I need not refer to such areas as your Sitate, i Rajasthan, Orissa, Madhya Pradesh, then Eastern U.P. or I Bihar Bihar is one of ' States in natural resources but the richest one of the poorest so far as development is concerned. And why? Can you ans-Can the Government at that?

any time answer why Bihar should I be one of the poorest States? Cal-I cutta used to be the industrial and commercial capital of India only four decadee ago. But now where is Calcutta? Why has it happened? Will anybody answer these questions? I have no time. Therefore, I do not want to go into details. Please take note of these things. These are the things which create tensions in different areas, which lead to political problems for the country.

I would refer particularly to my region, the north-eastern region. Sir, I hope you will give me a little time. The north-eastern region is in turmoil now. What is this turmoil for? What is the basic cause of this turmoil in Mizoram, Manipur, Naga-land, Assam, Meghalaya and Aruna-chal Pradesh? Let us examine some facts. Sir, this region has coal reserves. The estimated reserves of coal in the North-Eastern region are 2,000 to 3,500 million tonnes. But the workable reserves are 808 million tonnes. What are you doing? What are you doing to develop the coal mines in the North-Eastern region?. Cherapunji and Mafgherita were established by the British. After that, nothing has been done by the Government of the independent India.

Let us now come to oil because it is most sensitive indeed.

SHRI KALYAN ROY: What we did was that we had a nice explosion at Margherita, and some people were killed.

SHRI BIPINPAL DAS': My time is limited, Mr. Kalyan Roy. Let us come to oil and gas. Please take note. The Digboi oilfield was discovered by the British in 1880. They set up a small refinry in 1901. The British were not interested in expanding the refining capacity further because of their own colonial interests. The first oil field discovered after Independence was in Naharka-tiya in 1.952, and for ten long years these oil fields were not allowed to be exploited. More oil fields were

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rovered after the Naharkatiya oilfields. Then long years paGsed, and these oilfields were not exploited.. Why? Why? And during this period of ten years when Assam oil was not exploited, the Government of India invited multinationals to set up two refineries in Bombay and some more in the South at a huge expenditure. The Assam crude was not allowe to be utilised. We invited the multinationals to set up refineries and used imported crude at a huge cost. Is it a correct policy? Shall we not be aggrieved for this? Will the people of Assam be not aggrieved for

Sir, to establish the first refinery in Assam, Assam had to launch a struggle. Without a struggle that areas gets nothing. The natural product, oil, was there. For establishing the first refinery there was a long strugle, similar to the one going on today. After ten years in 1962 Assam was granted a refinery. What refinery it was? A toy refinery of 0.75 milion tonnes. The bulk of the crude was exported^ taken awBy to Barauni, and Barauni had a huge refinery of 3 million tonnes which is going to be expanded to 4 million tonnes. Why this attitude towards the North-Eastern region? This has to be answered categorically. After another long struggle when more and more oil was discovered we had another refinery at Bongaigaon, and this also has a capacity of only 1 niillion tonnes. Sir, we produce about 5 million tonnes of crude in Aassm. Out of that a little over 2 million tonnes are used in Assam today. People are demanding refineries. They have to struggle. No more refineries are coming up. The existing capacities are also not expanded.

Another sad aspect is that our crude wliich goes to Barauni is sold at Barauni. Therefore, the sales-tax goes to Bihar. Assam is deprived of it. Bihar naturally gets the sales-tax out of the refined products of Barauni. That is natural. But then the salestax which we should have got, because of the crude imported from Assam, is not given to Assam, tt. goes to Bihar. Sir, is it not unjustified On the part of the Government? Can anybody justify it.

1980-81—General

Discussion

Take the case of royalty. The British paid Rs. 10 per metric tonne. After Independence it was cut down to Rs. 7.50. We had to fight here day after day to raise it to Rs 10, then to Rs 15 and then ultimately to R3.42. How much has the price of crude gone up in the world market? Considering the rise in thf> price of crude in the world market today, the demand of the people of Assam is that the royalty should be at least Rs. 300 per metric tonne. This demand is not from the popular Government only. Even now when there is President's rule, the present administration there has made this demand that tlie royalty must be at least Rs. 315 per tonne. But this is not granted. We are still at Rs 42. It may be said, therefore, from all these facts that the foreign exchange earned by Assam tea and jute licis been used to finance crude imports for Bombay and other refineries. This is my objection. This is my point.

VICE-CHAIRMAN SAWAISINGH SISODIA): You have to be brief

SHRI BIPINPAL DAS: I have my party's time, I am told by my Whip. Let me complete this problem and 1 will finish.

So this is my point. We are the highest foreign exchange earners from tea and jute. We have also produced crude. But the foreign exchange earned by Assam tea and Assam jute has been used to finance crude im ports for Bombay and other refine Is it justified? Can you ries. justify Will the people not shont against it?

Now, let us come to the case oi Gujarat. I congratulate my Gujarat frineds for their success in achiving results very quickly as compared to

Assam. In Gujarat oil was struck in Ankhleshwar in 1960. By 1963 the blueprint and money were ready. By 1965 the first refinery with a capacity of one million tonnes went on stream. By 1966, its capacity was Jncreased to two million tonnes. And by 1967 the capacity was increased to three million tonnes. Within seven years, this is the progress they have made—a 3-million tonnes refinery. In Assam oil was discovered in 1952 and even today we cannot refine more than two million tonnes. Sir, these are the glaring facts of regional disparity, and the Government must take serious note of them.

Take the case of natural gas. Most " of the gas produced in Assam oilfields is going waste. Except for some quantity utilised in Namrup, most of it is going waste when we are clamouring for power and fertiliser. The consumption of electricity per head in the N.E. region is the lowest in the country, whereas the hydel power potential, according to experts, of the North-eastern region is 12,000 MW, which will be roughly 25 per cent of the entire hydel potential of the entire country.

On tea, in which we are No. 1 or No. 2 foreign exchange earner-\^we have to pay the highest duties. We produce 60 per cent of Indian tea. We earn foreign exchange. Why are we made to pay the highest duties on it? I do not imderstand. And after West Bengal, Assam is the largest producer of jute. There is on making profits. And i-egarding are looted and the mill-owners go on making profits. And regarding forest wealth, anybody who has gone to Assam would have seen how much fonast wealth we have got. But what have we done? Three paper mills were sanction long ago by the Congress Government in 1975 or 1976, one in Ng°; aland and two in Assam. No progress up till now. Same about timber plywood bamboo and other things. Everything goes out and no local industry has been developed out of the forest products of the locality. Take horticulture. We produce

India's best oranges and pine-apples. I am proud of it. The North-eastern region produces the best oranges and pine-apples in India. But where is the market? There is lack of market, there is lack of transport and there is lack of incentive. The growers are not making any progress.

Take handlooms. Sir, everybody knows that the l^lorth-eastern region produces a variety of wonderful hand, loom products. But there is no progress because there is no market, noincentive, no proper price, no transport. Because of all these problems, our handlooms are just languishing and not making any progress, although Manipur, Nagaland, Mizoram and Assam, all of them combined, produce a variety of wonderful handloom products

Regarding transport, I do not want to go to the railways. I am not discussing the railways at all. Only one point I will make about transport. Sir, after a long struggle by the people, the Government sanctioned a proposal to convert the metre gauge line into broad gauge line between Bongaigaon and Gauhati. The distance between the two is 160 kilometres. This was sanctioned during the Congress regime. To convert a line of 169 kilometres from metre gauge into broad gauge how many years does one take? Even now the Minister says that it will be ready only by the end of 1981. Why so much time for converting such a short, distance line?

Then, road transport is not developed. River transport is not developed. Shri B. K. Nehru, former Governor of Assam, once came to Delhi and approached the Railway Ministry for exnansion of railway lines. They

said: "There is not much economic development in the area. How can we agree to have new lines?" Then, he went to the Planning Commission to ask for economic development. The Planning Commission said; "There ^^

no adequate transnort facilities in the area. How can there be economic

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development?". This is the classic story of egg and hen, which came first. Unless you develop infrastructures in a region, that area can never grow. It must be understood very clearly that firstly you have to build infrastructures in a region at the national cost. Unless the nation takes initiative in this regard, industrial, agricultural and other activities will not develop and the area cannot progress.

I have a few other points also. Now, about the Brahmaputra Board. Only «ow a Bill has been introduced in the Lok Sabha. Only We have been shouting for the last years or 15 years. Now the Bill has been introduced in the Lok Sabha, Nothing has been done to harness this river the hydel potential of which may serve not only Assam, but also Sikkim, North Bengal and even Bhutan and Bangladesh perhaps. Can you believe that for a than 400 miles of length river of more there is only one bridge? Only one bridge. We had "been clamouring for a second bridge. But the Government, which means bureaucrats, did not agree. They would not agree. Ultimately, when our friend Bansilalji was the Defence Minister, somehow fortunately it struck his mind. He himself went there, surveyed the area in a helicopter and said that there must be a second bridge. And the second bridge is now (Time bell rings.) I will say a word about the pricing policy and then I will stop.

The iron and steel price was equalised in 1956. That means, whatever price is paid by the people at the location, at the producing site, is the same price paid at the consuming site. Whatever price is paid in Bihar is the price paid in Bombay. This is the equalisation formula. But no such policy is there in the case of cotton, oil 1 seeds, etc. In other words, the eastern region has been made to forego by ttiis pricing policy its major locational advantage for industries. But no

other region has been made to forego I such lobational advantages.

Discussion

1980-81—General

The Estimates Committee in discovered that to enable the textile magnates to export their products, the subsidies from Government in various forms amounted in some cases I to more than 90 per cent of the FOB value. That was the kind of concession given to cotton and textiles. But I no such subsidy was given to our jute goods. export duties have been levied. heavy proceeds of the export duty on tea and jute are indirectly and very cleverly utilised i to subsidise cotton textile industries [ in the west. This is the net result of ' it. One may not agree, but this is the net result. Where is the foreign exchange earn ed by our tea and jute gone? I want an answer from the Minister. Where I is the foreign exchange that we earn I on ouv tea and jute gone? Where has I gone? Should not a certain per centage of it be used for the develop ment of the area? Why don't you allocate a certain percentage for the development of that region, of that And, Sir, you have the finan cial institutions which have their headquarters, where? In Bombay, except one in Calcutta. Why? Why should all the institutions except one have their headquarters in Bombay? Why don't you distribute them in Calcutta, Delhi, Madras and other There are some developmental agencies whose headquarters can also be located in North-Eastern region. What evelopmental agencies are there for our area? What development agencies are there whose headquarters are there in our area? All the financial institutions, most of them excepting one, are in Bombay. These are the injustices which you are committing against the North-Eastern Region and, therefore, there is so much Of grumbling, so much murmur, so much of trouble and turmoil.

I conclude by saying this-. Unless the Government takes a serious note

of the problem of regional disparities and imbalance, unless they take concrete steps and concerted action, unless they reshape their policies, adopt new policies, consciously and deliberately, to remove the imbalance,. there will be more and more trouble in this country. And, what is more. Sir, even the unity and integrity of the country might be threatened. I know you cannot remove the regional imbalances in one day. But why don't you start? You have not started yet. You must start by formulating conscious and deliberate policies. You must start by having conscious and deliberate policies, pricing policy, industrial licensing policy, credit policy, all kinds of policies, and you have to start deliberately and consciously to have a new set of politics so that, if not in one year or two years, at least in ten years, the regional imbalance between one region and the other in the country may be narrowed down. Otherwise, Sir, what is happening in the North-East region may happen elsewhere also. I have heard of posters appearing even in your State, Sir, and I have heard of posters appearing in Andhra Pradesh and I have heard of posters appearing elsewhere also. Let us maintain the unity and integility of this country. If you want to maintain the unity and integrity of the country, you must treat all the regions equally and your policies must be such as would treat all the regions equally so that, in course of time, as soon as possible, as far as possible, as quickly as possible, regional imbalances, imbalances between one region and another, may be narrowed down, if not removed altogether. I am not an idealist, Sir, So I do not think that it can be removed altogether, and it is not possible. But let us narrow it down slowly and step by step. And let everybody feel that he is an Indian and that the Government of India cares for him, whether he lives in Nagaland or Meghalava or in Kashmir or in Kerala. Let everybody feel like that. But how can he feel? He will feel only by the impact 9t your policies. He will feel so only

when there ic: the impact of your policies, your developmental policies. Then only they will feel, "Yes. We belong to one nation." If in some States there is a surplus, that surplus should go for the development of the backward areas. Only then the unity and integrity of this country would be strengthened and we will become a stronger nation. Thank you very much, Sir,

THE VICE-CHAIRMAN (SHRI SAWAISINGH SISODIA): Mr. Adi-seshiah; not here. Prof. Rasheedud-din Khan, not here. Yes, Mr, Warjri.

ALEXANDER WARJRI (Meghalaya): Mr. Vice-Chairman, Sir, I feel that like Mr. Bipinpal Das who spoke just now, I should concentrate my attention on the problems of the North-Eastern Region. But, Sir, first of all, I would like to give my opinion regarding thus Budget. My opinion will not be an opinion of the learned pundits who discuss the merits and demerits ot the Budget. But my opinion will be an opinion expressed by the common people, by the masses, people who matter very much in the election to the Lok Sabha. Really, Sir, I fail tu understand how my friends on the treasury benches and a few others also call this Budget a balanced Budget, a Budget of the people. and sO on. Many people have forgotten one aspect, and there is the common people aspect. The mass of the people who overwhelmingly voted Congress(I) to power did not do so without proper consideration. Their cohsfderation is just a simple consideration, simple as they are themselves. Before coming to the poll, before coming to the polling booth, they simpV compared Governments of the past and Government that obtained during the election. They compared Governments before the Janata regime and the Governments of Shri Morarji Desai and Shri Charan Singh. They compared the prices of the necessities of life, of the articles that they buy from time to time, of foodstuffs and of essentifc.1 commodities. With this simple reasoning, they voted

# IShri Alexander Warjri]

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Congress (I) to power, hoping that prices will come down. This is their expectation even now. This is their hope. They are not interested to know about the foreign policy, nor about the principles of parties. They oted Mrs. Indira Gandhi and her followers to power with the expectation that the pre-Janata price level will come back. The Congress (I) Government should not disappoint people who has voted Mrs. Gandhi back to power. The people expect the spiralling prices to come down-prices of sugar, cloth, piUses, and sO on.

When I look through this Budget, I find that it belies the hopes of the people. It seems that there is no relief for the middle-class people. The exemption limit of income-tax was raised, it is no relief; it is really a myth. Already the middle class and the poor people are feeling the burnt of indirect taxation. It is not the shopkeeper who pays that indirect tax; it is the customer who pays. The Budget as I gee it, is a mere jugglery to fool the common man. The Budget thUg does not rob Peter to give to Paul as Mr. Piloo Mody said, but it robs both to give—to whom? I do not know.

I regret to note that in the Budget speech of the Finance Minister little is mentioned about North-East—only a few lines on page 5, page 8 and page 11 —and even there it simply mentions about the loss of fuel, of the loss of petroleum products,, which affect the whole country In spite of the Prime Minister's utterances every now and then that the Northeastern States deserve more attention and care, the Budget, I may say, is almost completely silent about North East, in spite of the fact that many things have hap-nened in the North.Esistem region during the last one year. In this connection. I may mention the increased amount for the white elephant called the North-Eastern Council. May I ask what his North-Eastern Council

has achieved? What are the concrete North-Eastern οf achievements the Council? I would like to know from hon. Minister whether the tribals living in the different States in the North-Eastern region have benefited from this Norh-Eastern Council. Aa I know, there are few employees even in tile office of the North-Eastern Council at Shillong.

Discussion

I would like to highlight the prob-

I Icms of my own State of Meghalava in particular and of the North-Easteni 1 region in general. On the 20th May, 1980, there was a meeting of the Con-[ sultative Committee in Madras and -j one of the demands that I made was that the Government should take up the construction of the border roads along the Meghaiaya-Bangladesh 1 ir-der which is about 400 kilometers. I am glad that the Minister-incharge, Mr. A. P. Sharma, has agreed that the ' road from Mankacha to Bholagani will soon be completed. It will be almost half of it. But he regretted that the Ministry of Defence does nat feel the necessity of taking up the construction of the five missing links between Bholagani and Sonepur whick is about 124 kilometres altogether. This area is full of limestone and if a road is developed there, much of the cement shortage in the country ca» be met. I am really disappointed that , the Ministry of Defence does not care for us. It seems tO' care two hoots for the defence of the country in the North-Eastern area. Yet the people of the North Eastern region are dul»-bed as secessionists. It will be wrong to say that we need not be prepared for any eventuality j'ust because we are friendly with Bangladesh. If we i want peace, we must be prepared for war. This P^rt of the border is the least guarded. Also, it is difficult for the B.S.F. to enter the area due to terrain and due to the absence of roail communication, Infiltration a.t this I point cannot be checked. Limestone, ' timber and cattle are being stolen away by the people from Bangladesh without any check. This road is of great importance also for our peot»!e in the border areas. These people

who have silently su:ered since Independence due to partition are still suffering and will be suffering if they afre not provided with this road by which they can market their produce. Even the traditional market...

Budget (General)

THE VICE-CHAIRMAN (SHRI SAWAISINGH SISODIA): You have to conclude now, Mr. Warjri.

SHRI ALEXANDER WARJRI; Just a few minutes more, Sir. Even the iraditional marketg which we have in the border areas with erstwhile East Pakistan, iiave been closed due to the unfriendly attitude of the Bangladesh Government. Sir, I appeal to the Prime Minister who is in charge of Defence to look into thig and order immediate construction of these five missing links, i would also request the Minister of Education and Health that in view of the prevailing situation in Assam, he should take up the problemg fa.ced by our young boys and girls who have just finished their Preuniversity and could not enter into any colleges in Assam or in Manipur msdical Or engineering. Sir, the Government of Meghalaya , already have appealed to the Central Government that they should make some arrangeinents for giving seats to these students sO that their studies may not be Sir, at the same time, I hampered. would also like to appeal to the Cen tral Government that they should con the question of setting up institute of medical sciences in the North-East at Shillong immediately, as proposed by the Government Meghalaya in a letter to the Central Government during the month of Feb ruary. Thank you. Sir.

SHRIMATI **SUSHILA SHANKAR ADIVAREKAR** (Maharashtra): Vice-Chairman, Sir, the Budget is not iust a game of arithmetic nor is it an art of jugglery as was described bv i Frof. D. P. i the Budget Chattopadhyaya. But. Su-. always reflects the future policy of the j no doubt the Government. There is economy of the country i is in shambles and it has to be revitaj lised. Shri Venkataraman has made

a bold and very calculated approach in presenting thig Budget which reflects the will the direction and the role the Government wants to piay in *gchier*-ing its objectives. And, ior ail that. We welcome this Budget—that under the present difficult situation, it has tried to smoothen out a number of present difficult problems and issues and has also tried to emphasise the youthful socioeconomic thrust of the Government.

Sir, I know very well that I am not an economist but i am a laymaji and a housewife. So, I do not want to go into the details of fiscal and monetary measures which my other competent colleagues have dealt with. But as a layman, I strongly feel that a better management of the economy is necessary. A patch-work apB«oach to economy always leads to damaging results. Sir, a few days back, before the Budget was presented, the formei-Vice-Chairman of the Planning Commission. Dr. Lakdawala, said that a Budget would he a good budget if it has a deficit of about Rs. 1,000 crores, and that would t5e witnin the safe limits Sir, the speculation all over the country, before the Budget was presented, was that this time the Budget will have a minimum deficit of Rs. 3,000 crores or more, and that it will come out with a heavy dose of taxation. But against the expectations of all, the Finance Minister has really took some significant decisions and has kept the deficit at about Rs. 1,640 crores for which he really deserves congratulations. And no doybt he has done a mOst difficult exercise by taking up a policy to yield large returns without much hurting the large population.

Sir, as the Government has no control over the prices of imported crude and petroleum products, the price rise in these itemg was the only answer as it was inevitable. And so, Sir, I am happy to see that the Finance Minister hag exhibited an awaj-enesg about the energy crisis and in that light i would like to see certain asoects of the Budget. I might be slightly different in airing my views but still I wOuld like to [Smt. Sushila Shankar Adivarekar] say that as I view it from the energy crisis, I would like to bring certain aspects to your notice. Sir, I do not see pressure cooker as a luxury item at all but I view it entirely from a different angle. The reduction of duty on preesure cookers will indirectly help in the consumption of fuel and also the drainage of the precious foreign exchange. So, I feel that in this context the should actively popularise all Government energy saving devices like the Nutan kerosene wick stove, pressure cookers, efficient coal burning stoves, etc. While not only giving duty reduction, because that is not enough, the Government should take one more step in this direction, namely, 'give help in the manufacturing and marketing of these kinds of domestic appliances which save fuel. Then only it will be able to reduce the demand on the electric power and LPG and above all on firewood and charcoal. Sir, when I am suggesting this, although I am an urban housewife, I know and I am fully aware that we" are passing through a very critical energy crisis, which is very real and not at all an imaginary one. It is the non-availability of the inexpensive and cheap fuel that has accelerated the deetruction of forests indiscriminately. I am sure that no amount of this fashionable Vanamahotsava will undo the ravaging and approaching desertification. And, so I would like to eaiphasiee that the Government mu6t encourage all energy-saving through incentives, devices sub-sidiee, public sector manufacturing, pubhc distribution system, etc. While, on the other hand the energy consuming devices should not be encouraged at all. If possible and necessary, you can ban them also.

Biwioet (.General)

Sir, what we require today is a change in the life-style and not the apish immitation of decadent community of the developed countries. Here I find the Finance Minister's proposal on cycles very encouraging and as I said it earlier about pressure cookers to view it from a different

angle, I would like to say the same about cyclee, namely, that it should be viewed from a different angle and that it should not be looked down upon as a Poor man's conveyance only. Popularisation of cycles will definitely reduce pressure on public transport.

While talking of public transport 1 am reminded of a report which says that even today bullock carts in India carry amount of goods than the entire railway system of board gauge meter gauge and the narrow gauge, etc. During the last few decades. Sir, we have expanded road network suitable for motorised transport. But, Sir, this helped only urban exploiters of trade, intermediaries and not the rural producers or urban consumers. So, Sir, I feel that the Finance Minister will do a Yeoman's service in renovating the cycle carte and bullock carts along with improved approach roads in rural areas which • will generate more employment than building four lane carriageways. It is, therefore, essential that the Finance Ministry and the Planning Commission should evaluate all projects and proposals from energy and employment point of view as it is the need I would again say that of the day. vvecternisation is not modernisation. have to see to our country's requirements and resources.

Another point that I am happy about is that the Government saw reason and abolished licence fee OB simple and inexpensive radios. Again, Sir, I would like to say that please don't take radio ais a luxury item. Let us see the past history. The much expected transistor revolution missed India, the only country in the Third World, because of the inheritance of the British Raj, imposing licensing communication. Actually, Sir, there need not be any control on wireleoB ^ receivers. The only thing is to con- centrate on monitoring and regulation of wireless transmission isets. RadioB should be freely available as without a communication revolution, we will not be able to motivate the huge ,

the country.

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Sir, I now would like to speak the mind of women specially. Sir, the most important and agitating question is, how to curb the rising prices, mainly of the essential commodities. Prices have risen, there is no doubt about it, and the poorer people pay invisible taxes through the nose. Rise In prices has 'Iso reduced the value of the money, thus reducing the purchasing power. Sir, the Finance Minister will have to do something in this direction on a war footing. After all, the price policy is mainly to give relief not only to the poor and vulnerable sections of the people but also to middle-class, working-class and labour-class people.

Coverage of public distribution System is limited to urban areas only. This network has to be expanded and extended to rural areas also. A chain of co-operative stores, like super-bazars, is very necessary and it should be increased in number. May be, our experience of such stores is not very encouraging and they might be making losses or having certain drawbacks. But all this could be improved along with their efficiency. They are very essential as long as they serve the common people by giving them commoditieis at a reasonable price, without any adulteration and of correct weight. Therefore, I would plead with the Finance Minister to make all attempts to improve them, increase them, rather than close i them down; otherwise, it will look i that we want to throw away the baby I along with the bath-water.

The Finance Minister has announced certain measures for tax relief. I think. Sir, they are mainly to soak the affluent sections, and by doing this, there is an effort in the direction I of reducing the disparities and also in curbing inflation.

The Finance Minister has maintained a balance of creating climate for industries and simultaneously not ignoring the weaker sections from its benefits. There is no doubt that the Budget has a bias in favour of investment. And I hope the industrialists will favourably respond to these measures and will not resort to capital strike like the labour strike.

Sir I would like to say one word more about the financial instit\itions which have provided nearly Rs. 5,000 crores to private corporate sector at an extremely low rate of interest. Also there are some public undertakings like the STC etc, which provide raw materials to these private big houses at cost price, without having any say or any control over the fixation of the final price, Can this not be rectified? I would like to ask the Finance Minister. 1 would also like the Finance Minister to give a searching look into this issue and do the rectification as soon as possible.

Sir, yesterday, the Finance Minister has already announced in the Lok Sabha his intention to plan to improve the functioning of public sector undertakings. Sir, earlier, there was an appointment of Rajadhyaksha of Levers as high-powered task force to go into public undertakings. What happened is so well-known that I need not go into the details of it. A word is enough to say what was happening and what has happened and what was the motivation that these highsalaried executives of private 'sector agreed to join public sector with lower remuneration and lesser perk,s. Sir, the Finance Minister should have a second look into this sort of activities which are going on, -vj^hich bring down the name of the public undertakings. 6. P.M. Sir, I say, the appointment of just a high level assessee will not help much. To an extent, the Government has been able to reverse the anti-socialist policies. For this, the public sector has to be reassigned the task of taking up the confidence of the people and to play the role

#### [Smt. Sushila Shankar Adivarekar]

win the commanding heights of the economy. Unless and until this is done, unless the public sector comes into the picture, the economy cannot' be improved. Before I conclude, I would like to say again, I would like to make a womanly appeal, to the Finance Minister, that only when the public undertakings start producing mass consumption goods and other essential commodities, we will be able to have some control over price and supply. By this, we will also be able to keep check and imder control manipulations of the private enterprise. On the whole, I think, the Finance Minister has done a very good job in bringing forward this Budget and raising the hopes and aspirations of the people.

### MESSAGE FROM THE LOK SABHA

### The Approirriation Railways (No. a) BiU, 1980

SECRETARY GENERAL: Sir, I have to report to the Hct,e the following message received from<sup>^</sup> the Lok Sabha, signed by the Secretary of the Lok Sabha: -

"In accordance with the provisions of rule 96 of the Rules of Procedure and Conduct of Business in Lok Sabha, I am directed to enclose herewith the Appropriation Railways (No. 3) Bill, 1980, as passed by Lok Sabha, at its sitting b-sld On the 3rd July, 1980.

The Speaker has certified that this Bill is a Money Bill within the meaning of article 110 of the Constitution of India."

Sir, I lay the Bill on the Table.

## CLARIFICATIONS IN RELATION TO STATEMENT BY MINISTER RE-GARDING NEWSPRINT ALLOCA-**TION POLICY, 1980-81**

श्रीजगदीश प्रसाद माथुर (उत्तर प्रदेश) : मंत्री महोदय ने अपने दक्तव्य में काफी होशियारी से एक वाक्य लिखा है। आप ने लिखा है कि हाई सीज और गोडाउन में जो कागज होगा उसवे अन्तर को कम किया जायेगा, ''हम ने हाई-संजि बिकी वे मृत्य को बन्दरगाहों पर वफर स्टाक के बिकी के मृत्य के उतना बराबर करने का निर्णय लिया है जितना न्यायसंगत होगा ।" ग्राभास सामान्य ग्रादमी को यह मिलेगा कि आप कीमतें कम कर रहे हैं. लेकिन है इस का उलटा। ग्राप जानते है कि जो हाईसीजा परकागज है वह सस्ता होता है और बफर स्टाक का मंहगा होता है क्योंकि, जैसा आपने वनतच्य में कहा है, उस पर टैक्स लगते हैं। साठे साहब गर्दन हिला रहे हैं। अगला वाक्य पढ़ देता हं--''श्रखबारी कागज पर बिक्री-कर के बोझ को दर क ने के उपायों की भी दित्त मंत्रालय तथा राज्य सरकारों के परामर्श से जाँच की जा रही है।" इस दाक्य से लगता है कि सेल्स टैक्स भम कर दें। लेकिन इससे वहीं यह बात साफ नहीं होती थि वे बफर स्टाक के मूल्य कम करेंगे या हाई सीज वे । हाई-सीज पर जो कागज लिया जाता है उस पर 1 परसेंट सविस चार्ज लेते हैं। ग्रापने इस वक्त 122 करोड 1979-80 के लिए रखा है। इसका मतलब है कि 1 बरोड़ 2 लाख हत्या तो ग्राप केवल सर्विस चार्ज ले लेंगे। एस टी सी अन्य चीजों पर भी कमाती है। तो मैं यह पूछना चाहता हं कि 1 परसेंट सर्विस चार्ज लेकर कितना खर्च करते हैं वास्तव में नागज के ऊपर वयों कि सरकार अवेले कागज के लिए ही तो सब इन्तजाम नहीं करती, ग्रौर चीजों के लिए भी करती है। तो यह चार्ज कम होना च हिए

दूसरे इस वक्तच्य में नेपा के सम्बन्ध में कुछ नहीं वहा गया है। नेपा का मृत्य सस्ता दीखता है, लेकिन सस्ता नहीं है । उस का बेट